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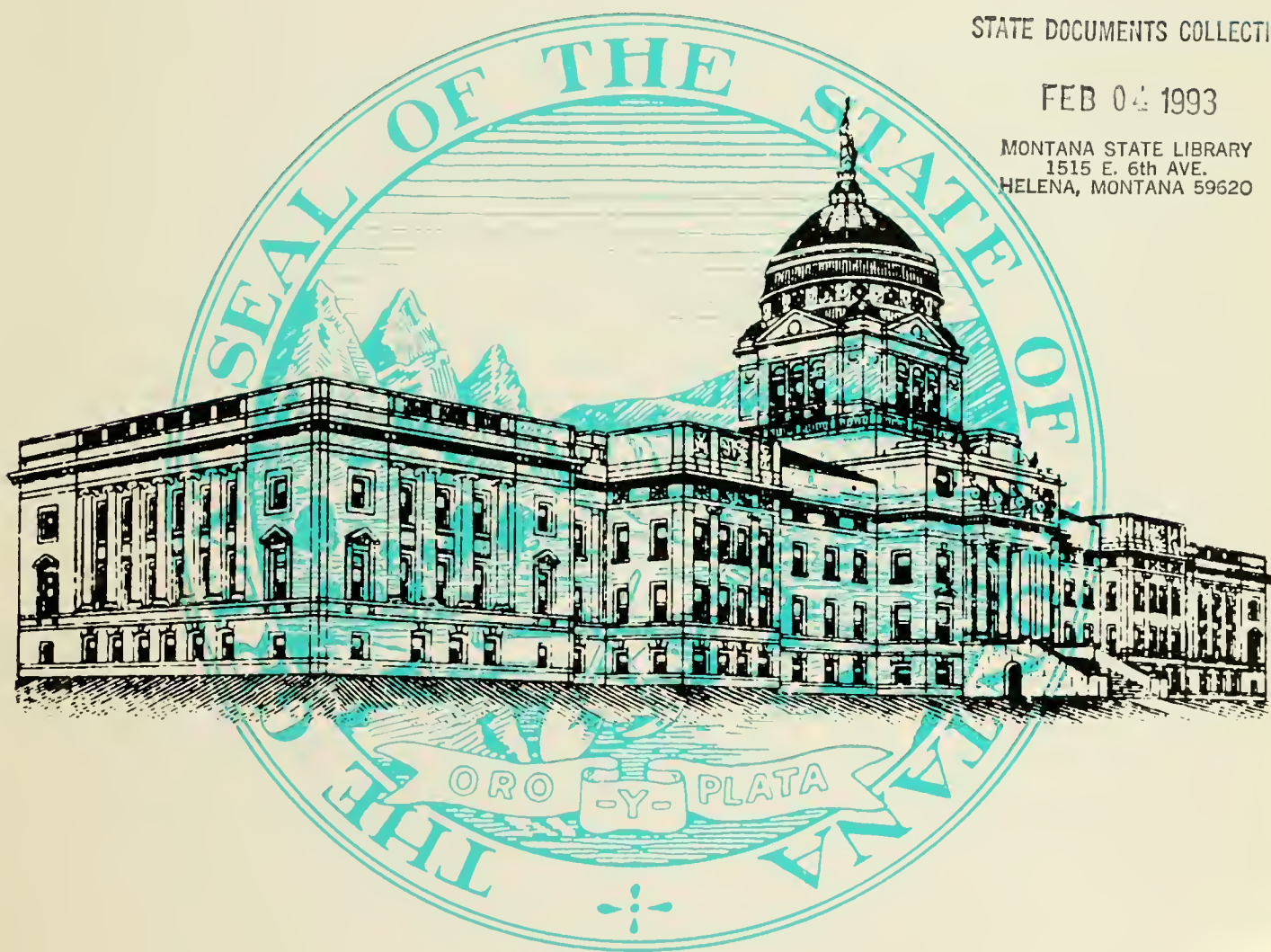
Montana

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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JUNE 30, 1992

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MONTANA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
for the fiscal year ended June 30, 1992

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SELECTED STATE OFFICIALS

EXECUTIVE

Stan Stephens
Governor

Dennis Rehberg
Lieutenant Governor

JUDICIAL

J. A. Turnage
Chief Justice

LEGISLATIVE

Joe Mazurek

PRESIDENT OF THE SENATE

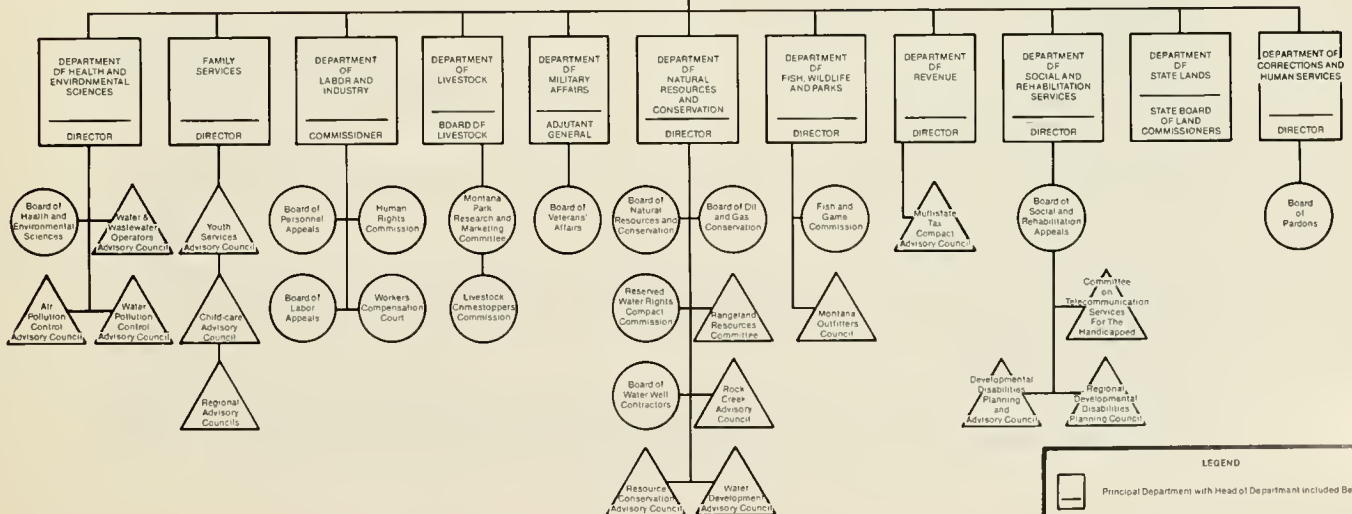
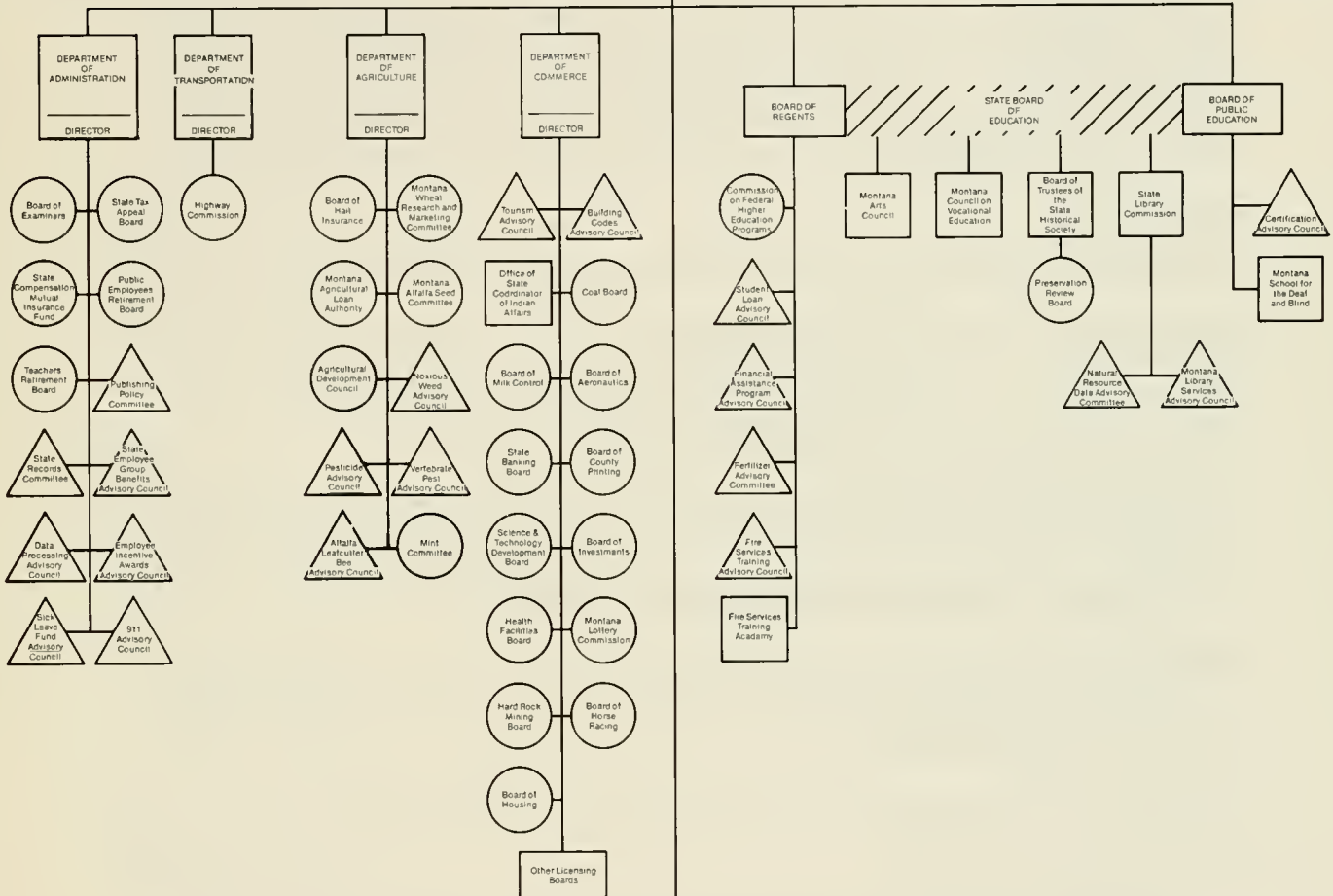
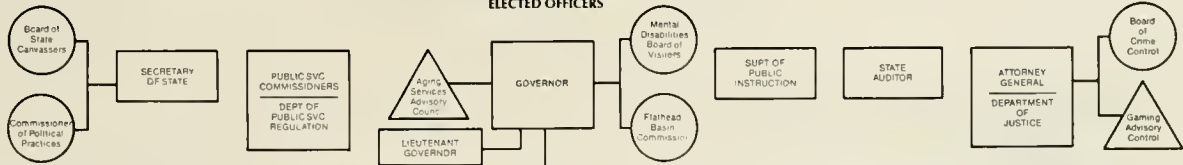
Hal Harper
Speaker of the House

STATE OF MONTANA

ORGANIZATION OF THE EXECUTIVE BRANCH

JUNE 30, 1992

ELECTED OFFICERS



LEGEND

- Principal Department with Head of Department included Below
- An Agency Allocated to a Principal Department for Administrative Purposes Only
- A Statutory Office or Multimember Body Within a Department
- An Entity Designed as Entirely or Primarily for Advisory Purposes

STATE OF MONTANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1992

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DEPARTMENT OF ADMINISTRATION

DIRECTOR'S OFFICE



STAN STEPHENS, GOVERNOR

MITCHELL BUILDING

STATE OF MONTANA

(406) 444-2032

HELENA, MONTANA 59620

November 6, 1992

To the Citizens, Governor and Members of the Legislature of the State of Montana:

In accordance with Section 17-2-110, Montana Code Annotated, the Comprehensive Annual Financial Report (CAFR) of the State of Montana for the fiscal year ended June 30, 1992, is hereby submitted. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation rests with the Department of Administration. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the State of Montana. All disclosures necessary to enable the reader to gain an understanding of the State's financial activities are included.

Description of the CAFR

This report and the accompanying financial statements and statistical tables were prepared in accordance with standards set forth by the Governmental Accounting Standards Board (GASB).

This CAFR is divided into three main sections: introductory, financial and statistical. The introductory section includes an organization chart for the State, a table of contents and this transmittal letter. The financial section contains the independent auditor's report, the general purpose financial statements, notes to the financial statements, and combining statements by fund type and other schedules. The statistical section includes financial, economic and demographic data.

This report includes all funds and account groups of those entities considered component units of the State. Criteria considered in evaluating whether an entity is a component unit of the State include the following: 1) the exercise of oversight responsibility by the State's executive, legislative and judicial branches; 2) the scope of public service provided and 3) the existence of special financing relationships with the State. Entities meeting these criteria include legislative, executive, and judicial branch agencies; offices of state elected officials; state-owned universities, colleges and vocational-technical centers; boards and commissions appointed by one of the three branches of government and the Montana Board of Housing, Health Facility Authority and Beginning Farm Loan Program. Following is a list of organizations that do not meet the component unit criteria, and consequently are excluded from this report: community colleges, the Montana Higher Education Student Assistance Corporation and private foundations supporting public education.

Economic Condition and Outlook

Montana is the fourth largest state in terms of land mass in the United States. The state shares an international boundary with Canada, and borders with North Dakota, South Dakota, Wyoming and Idaho. The 1990 Census of Population counted about 804,000 Montanans, an increase from approximately 796,000 in 1980. Agriculture continues to be the chief source of income in Montana. Other natural resource industries including wood and wood product manufacturing, particularly in western Montana, and mineral and oil/gas exploration, extraction and processing, statewide, also are important economic factors. Service sector industries, particularly related to health care, recreation and tourism and government are a growing source of income in Montana.

During the 1980's Montana experienced periods of economic decline followed by slow growth. Major factors contributing to the declines included: one-time plant closures and pullout of the Anaconda Company; effects of a national recession; several consecutive years of generally dry weather conditions in the State; and the decline in oil prices. All of these factors adversely affected Montana's resource-oriented economy.

Since early 1988, Montana has experienced sporadic economic growth. This growth is primarily due to expansion in the nonfuels mineral mining and health care industries. According to Paul E. Polzin, Director of the University of Montana Bureau of Business and Economic Research, U.S. nonfarm labor income was stable during 1990. During the recession year 1991, Montana's economy grew approximately 2.1 percent, compared with a 1.0 percent decline nationwide. This analysis is based upon changes in non-farm labor income. According to Polzin, Montana was impacted by the recession less than other states because of its dependence

on industries such as agriculture, which is not usually affected by the national business cycle. Polzin anticipates as we begin to recover from the national recession, conditions in Montana should also improve. Within the last year construction increases in rural and urban areas of western Montana and in Billings have boosted employment and income in the construction sector by almost 10 percent. However, the burst of new construction activity does not change the underlying conditions in Montana's economy. Polzin projects that the normal situation in which Montana's economic growth lags behind the nation will return in 1992. He forecasts Montana's economy will increase 2.4 percent in 1992, compared to a national average of 3.2 percent. In 1993 and 1994, the growth in the national economy will average 3.5 to 4.5 percent per year while Montana will grow 1.0 to 1.5 percent. Polzin attributed the decelerations in Montana's economy to declines in the wood products industry and little or no increases in the other basic industries.

Montana has held a national leadership position in per-capita income growth since 1989 when the State registered a 9.4 percent increase over the previous year compared to a U.S. average of 6.6 percent. In 1991-1992, the State's annual per-capita income growth rate of 7 percent was number one in the nation. The State's total personal income also increased in 1991-1992 by 8.2 percent over the previous year compared to a U.S. increase of only 3.5 percent. Polzin anticipates personal income will remain roughly stable in 1992 with slight increases expected in 1993 and 1994. He also expects the number of nonfarm wage and salary jobs to increase about 2,000 to 3,000 per year between 1992 and 1993.

Although the reports on Montana's economy indicate continued growth, the State's revenue collections for the General Fund and school foundation program for the past two fiscal years have fallen below the level projected when the 52nd Legislature appropriated funds for State government operations in the 1992-1993 biennium. The majority of the revenue shortfall was associated with lower than anticipated individual income tax collections. The lower than expected revenues of fiscal year 1991 and the expectation of further shortfalls in the 1993 biennium revenue estimates led the Governor to issue Executive Order No. 28-91 on September 26, 1991, which called for budget reductions, account balance transfers and other measures to offset the projected revenue shortfall. Subsequently a lawsuit was filed by citizens and affected education agencies which charged the statute authorizing these reductions was unconstitutional. On November 20, 1991, a district court found the statute to be an unconstitutional delegation of legislative authority.

On January 6, 1992, a special legislative session convened to address a projected June 30, 1993, deficit of \$96 million in the General Fund and school equalization account. During this special session, the Legislature decreased by \$47.4 million the base general fund and school equalization revenue estimates adopted by the 1991 Legislature for the 1993 biennium. These revised estimates reflected lower interest rates, oil prices, property tax collections and personal income tax growth than was anticipated during the 1991 regular session.

The 1992 Legislature enacted revenue enhancement measures during the special session totaling \$58.9 million. The primary revenue enhancement measures included the following: 1) \$32.5 million in "one-time" revenue by requiring quarterly payment of certain personal income taxes; 2) \$9.5 million from increased income and corporation audit collections due to increased staffing; 3) \$4.8 million by diverting proceeds from state timber sales to the school equalization program from the common school trust during FY 1993 and 4) \$4.6 million by diverting coal tax revenue from the highways account to the General Fund during FY 1993. In addition to the noted revenue enhancement measures, the Legislature also approved the transfer of \$9 million from various accounts to the General Fund and school equalization account.

The Legislature also reduced General Fund appropriations by \$30.9 million and approved supplemental appropriations of \$20.1 million. The supplementals were primarily in response to increased costs in the human services area as a result of case load increases and actual and anticipated fire suppression costs.

In May 1992, the Office of Budget and Program Planning (OBPP) determined General Fund and school equalization account revenue for fiscal year 1992 was falling short of the estimates adopted during the January 1992 Special Session by approximately \$25 million. The majority of this revenue shortfall was attributable to lower than anticipated individual income tax collections due to the combination of overstated non-wage and salary income growth rates, over-anticipated audit collections and errors in the estimated impacts of legislation enacted by the 1991 Legislature. The other major factors resulting in the anticipated revenue shortfall for the 1993 biennium are the continued erosion of interest earnings and oil revenues. Since each of these factors are likely to continue into next year, fiscal year 1993 estimates were revised downward.

Because of these adjustments to revenue estimates, a second special session was called for July 6, 1992. Revenues were projected to be short by \$55.5 million for the 1993 biennium. Again the major shortfall was anticipated in personal income taxes. Further cost increases were anticipated primarily in medicaid, public school enrollment increases, forest fire suppression costs and reduced reversions from appropriations for agency operations.

During the July 1992 Special Session, the Legislature provided \$29.9 million in additional General Fund revenues through a "super 7% surtax" on approximately twenty-six existing state taxes. The individual and corporate income tax surtax was limited to 2.3 percent in tax year 1992 and 4.7 percent in tax year 1993. Generally the surtax for all of the taxes expires one year after the effective date. An additional \$3.2 million in revenue will be generated by a change in the method of taxing income for non-residents. The Legislature enacted approximately \$12 million in budget reductions by imposing a 4% reduction on most

general fund agencies. Education (both kindergarten through 12th grade and the university system) was exempt from the "across the board" cut.

The Legislature also enacted HB 8 which restores the Governor's ability to reduce budgets in times of revenue shortfalls. The legislation is designed to address the constitutional deficiencies of the existing statute which were identified in the district court ruling issued in November 1991. HB 8 gives the Governor the authority to direct agencies to reduce spending in the event of a projected general fund budget deficit which is defined to be a projected ending fund balance for the biennium which is less than 2% of the general fund appropriations for the second year of the biennium. In this case, the Governor shall direct agencies to reduce spending in an amount which ensures the projected ending general fund balance for the biennium will be at least 1% of all general fund appropriations during the biennium.

The revenue shortfall has created cash flow problems in the General Fund and school equalization account. The Board of Examiners, upon the recommendation of the Department of Administration, authorized the issuance of Tax and Revenue Anticipation Notes to address this problem. The State issued \$85 million of notes in November 1991. These represented the State's first issue of notes since October 1987. The notes were redeemed by the State in June 1992. The Legislature also addressed the State's cash flow situation during the July Special Session. Approximately \$38 million in public school disbursements, budgeted as fiscal year 1993 disbursements, was moved across fiscal years to July 15, 1993, and approximately \$21 million in revenue ordinarily received in July was budgeted to be received in June 1993. Because the State continues to experience cash flow problems in the General Fund and school equalization account, the Board of Examiners, upon the recommendation of the Department of Administration, issued \$135.6 million in Tax and Revenue Anticipation Notes in October 1992. These notes will be redeemed by the State in June 1993.

Major Initiatives

For the Year. In fiscal year 1992, the Legislature focused on short-term revenue enhancement measures and the management of the State's fiscal crisis. However, during the regular legislative session which convened in January 1991 and the two special sessions in January and July 1992, the Legislature did enact the following key initiatives:

- Increased funding for medicaid and other benefit programs such as the child support enforcement program.
- Increased funding for the child support enforcement program. In the coming year the Department of Social and Rehabilitative Services will implement a management information system (SEARCHS) which will provide on-line access for five regional offices and the central office to current information on the status of child support payments, the status of individual cases, case member demographics and other management information.
- Continued the new school foundation funding program resulting in increased State support for K-12 education.
- Authorized the Board of Investments to issue up to \$220 million in bonds to provide funding for the workers compensation fund and continued the employer payroll tax.
- Consolidated State transportation responsibilities under the new Department of Transportation.
- Adopted a market-based pay system for State employees.
- Increased funding for the university system.
- Increased funding for environmental programs.
- Established a taxation formula applicable to all retirement benefits and appropriated additional funds to provide for an increase in the retirement benefits of public employees.
- Enacted several pieces of legislation targeted at increasing the availability of development capital in Montana. Included is the passage of the Microbusiness Development Act which authorizes the State to invest up to \$3.25 million of the Coal Tax Trust in a loan program that will provide financing for very small businesses (10 employees or less).
- Established a Montana Educational Telecommunications Network (METNET) to provide 1) instructional and educational course work and materials through telecommunications delivery to students K-12 and in higher education; 2) in-service training for the State's educators and 3) a method for State agencies to perform their duties across this large state.
- Approved the largest long-range building program in the State's history including (1) construction of a new 120-bed women's correctional facility; (2) a major expansion of the men's prison; (3) construction of new facilities at the Montana Development Center; (4) construction of three new buildings in the university system; (5) repair, maintenance and improvement of university property;

(6) State park maintenance and development; (7) wildlife habitat acquisition and (8) armory additions and alterations. Total funding approved for capital projects is \$142.17 million. Financing for this program includes the issuance of \$61.26 million of general obligation bonds and an \$8.665 million loan from the Montana Health Facility Authority. Most of the actual construction of these projects will occur in fiscal year 1994.

-Appropriated funds to the Department of Natural Resources for repair of the Tongue River Dam in southeast Montana. This 50-60 million dollar project is being funded with Federal loan money. Construction of this earthen dam is scheduled to begin in the fall of 1994.

For the Future: Montana's major initiatives and concerns revolve around the allocation of limited resources to provide the services desired by its citizens. These issues fall into the following categories:

Education:

1. K-12

The State's constitution guarantees all students equality of educational opportunity. The State revised its funding program in fiscal year 1991 to comply with this constitutional guarantee. Expenditures for K-12 education are projected to comprise 10.82 percent or \$114.3 million of the General Fund disbursements for the 1993 biennium. An additional \$768.6 million of state support is provided from the School Equalization Account to local school districts making K-12 education the State's largest single area of expenditure. The State will continue to deal with constitutional issues related to K-12 funding and the distribution of moneys to the local school districts. The State will also consider the issue of school district consolidation.

2. Higher Education

Expenditures for Higher Education are projected to comprise 23.62 percent or \$247.8 million of the total General Fund disbursements for the 1993 biennium. Issues which continue to be considered include closing one or more of the smaller colleges, consolidating duplicate programs into fewer schools, limiting enrollment at each of the university units and increasing tuition fees.

Social Services:

The State continues to be concerned with providing adequate services in its human service benefit programs. However, costs of these programs continue to escalate driven primarily by increases in primary care medicaid expenditures. Expenditures for human service programs provided by the Departments of Social and Rehabilitation Services and Family Services are anticipated to comprise 25.8 percent or \$272.5 million of the General Fund disbursements for the 1993 biennium. Expenditures for institutional care provided by the Department of Corrections and Human Services will comprise 14.13 percent or \$149.3 million of the General Fund disbursements for the 1993 biennium. The State continues to review and assess its funding formulas and eligibility criteria for AFDC and General Assistance payments.

Infrastructure:

The Department of Transportation's 1993 biennial budget was significantly higher than its 1991 biennium level due to an anticipated increase in federal funding of approximately 20 percent per year. The Department is responsible for the maintenance of the State's vast interstate, primary and secondary highway systems. Federal highway funding, however, has remained relatively stable due to restrictions imposed on spending by the Gramm-Rudman Deficit Reduction Act. Any increase in the receipt of Federal funds requires the State to provide matching revenues.

The State continues to assess the need for the funding of and support for local government infrastructure programs. In June 1992, voters passed a referendum to establish the Treasure State Endowment which would provide funding to local governments for rebuilding the State's infrastructure - sewer, water, solid waste systems and bridges. Part of the money currently going to the Coal Tax Trust Fund will be diverted to this new fund (\$7,250,000 a year for the first three years and then \$9,750,000 each year indefinitely). Only the interest earned will be available for distribution to local governments who will provide matching dollars also.

Workers' Compensation:

Affordable workers' compensation insurance for all employers is a major goal of the State. The State continues to reduce costs and gradually increase premiums to assure the "new fund" portion of the program remains a viable going concern. To address a major deficit in the "old fund"

portion of the program, the State will consider a proposal to have a private insurer assume the liabilities of the "old fund" at a specific cost to the State.

The 53rd Legislature which convenes in January 1993 will focus on these issues in addition to the development of new revenue sources which will provide long-term funding for the State's programs. This includes consideration of a general sales tax, increases in fuel taxes and the continuation of any of the surcharges enacted during the July 1992 Special Session. The Legislature will also consider how it will utilize the money set aside in the Coal Tax Trust and the distribution of future coal severance tax receipts.

Financial Information

Montana's Statewide Budgeting and Accounting System (SBAS) is a centrally maintained, fully computerized, double-entry accounting system. SBAS records are computer-edited.

Management of the State is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the State are protected from loss or misuse, and that adequate accounting data are compiled to allow for the preparation of financial statements in accordance with generally accepted accounting principles.

In developing and evaluating the State's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that the above objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the evaluation of costs and benefits requires estimates and judgments by management.

Budgetary restrictions are imposed via appropriations approved by the legislature or established administratively as provided for by State law. Appropriations are required by State law for the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds. The level of budgetary control is generally established by program and fund. SBAS is designed to provide budgetary control by preventing spending in excess of legislative and administrative authority and/or available cash. SBAS also provides for encumbrance accounting as a technique for accomplishing budgetary control.

General Governmental Functions

Revenue sources for general governmental functions, which include the General, Special Revenue, Debt Service, and Capital Projects Funds, increased 3.0 percent from fiscal year 1991 to fiscal year 1992. Revenues from various sources for fiscal year 1992, and the amount and percentage of increases and decreases in relation to prior year revenues, are shown in the following table:

<u>Revenue Source</u>	<u>1992 Amount (in thousands)</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1991</u>	<u>Percent Increase (Decrease)</u>
Licenses/Permits	\$ 82,744	4.6%	\$ 8,592	11.6%
Taxes	850,916	53.1	(13,141)	(1.5)
Charges for Services/Fines/Forfeits	52,527	2.7	8,849	20.3
Investment Earnings	24,791	2.0	(6,864)	(21.7)
Sale of Documents/Etc.	18,091	1.1	945	5.5
Rentals/Leases/Royalties	397	-	(131)	(24.8)
Contributions/Premiums	3,355	.3	(758)	(18.4)
Grants/Contracts/Donations	3,611	.4	(3,393)	(48.4)
Federal	585,047	32.8	52,803	9.9
Federal Indirect Cost Recoveries	1,738	.1	(85)	(4.7)
Other Revenues	2,792	.2	425	18.0
Total Revenues	<u>\$1,626,009</u>	<u>100.0</u>	<u>\$ 47,242</u>	

An explanation of significant changes by revenue source follows:

Licenses/Permits - The increase in revenue was primarily due to 1) a \$2.8 million reclassification of district court fees from transfers-in to revenue; 2) \$1.6 million in nursing facility fees charged for the first time in FY 1992; 3) a \$1.9 million increase in wildlife licenses and permits due to fee increase authorized by the 1991 Legislature; 4) a \$.9 million increase in fees charged in the underground storage tank leak program and 5) \$1.4 million in the following fees charged for the first time in FY 1992: pesticide management fees; the pesticide agriculture chemical ground water program fees and solid waste management fees.

Taxes - The decrease in revenue was primarily due to a \$16.6 million reduction in corporate tax which resulted from a change in filing requirements in FY 1991. Corporations were required to begin paying estimated taxes on a quarterly basis in the fourth quarter of FY 1991 resulting in a one-time increase in

revenue in FY 1991 due to reporting of accelerated payments along with the annual payment. FY 1992 included only payment of four quarters (or the equivalent of one annual payment in FY 1991). Other significant decreases included 1) a \$7.5 million decrease in coal severance tax due to a decrease in the tax rate from 20 percent to 15 percent of production and 2) \$5.9 and \$3.4 million reduction in natural gas and oil production taxes respectively as a result of production decreases. These reductions were offset by 1) a \$6.6 million increase in general property taxes which resulted from an increase in real and personal property values and construction activity; 2) a \$4.4 million increase in video gaming tax revenues; 3) a \$2.9 million increase in fuel tax collections as a result of increased usage of special fuels; 4) a \$1.1 million increase in university millage; 5) a \$2.0 million increase in inheritance and estate tax due to the settlement of pending large estates and 6) a \$.6 million increase in cigarette and tobacco taxes along with the following increases in certain miscellaneous taxes: Accomodations Tax, \$.9 million; Insurance Premium Tax, \$.7 million; and Livestock Tax, \$.4 million.

Charges for Services/Fines/Forfeits - The increase in revenue was primarily due to 1) \$3.6 million in new revenue from administration of the child support enforcement program, county reimbursement of judges retirement costs, administrative fees charged on loans administered by the waste water revolving loan program, third party reimbursement of programs at Family Services and responsible party reimbursement of superfund cleanup costs; 2) a \$2.5 million increase in fees revenue from the following programs due to increased program activity: legislative audits, lab inspections by Department of Health and Environmental Sciences, Emergency Telephone System, State Parks, building code inspections by the Department of Commerce and fees charged by the Guaranteed Student Loan Program; 3) \$.8 million increase in fire suppression costs; 4) a \$.7 million increase in Medicaid and third party reimbursements for institutional care and 5) a \$.6 million increase in county reimbursement of welfare costs due to increased expenditures incurred.

Investment Earnings - The decrease in revenue was primarily due to a change in the average yield on the Treasury cash account from 7.91 percent in fiscal year 1991 to 7.02 percent in fiscal year 1992.

Grants/Contracts/Donations - The decrease in revenue was primarily due to the reclassification of \$2.0 million in grant revenue from state grants to federal assistance. The additional decrease was due to the adjustment of revenue for the overstatement of prior year revenue by the Department of Social and Rehabilitation Services.

Federal - The increased revenue was primarily due to the receipt of additional federal funding for the public welfare programs administered by the Department of Social and Rehabilitation Services. Other significant increases in federal revenue include a \$23.2 million increase in highway construction funding and a \$5.5 million increase in wastewater treatment for the Department of Health.

Total expenditures for all general governmental functions increased 7.0 percent from fiscal year 1991 to fiscal year 1992. Expenditures by function for fiscal year 1992, and the amount and percentage of increases or decreases in relation to the prior year amounts, are shown in the following table:

Expenditure Function	1992 Amount (in thousands)	Percent of Total	Increase (Decrease) from 1991	Percent Increase (Decrease)
General Government	\$ 117,114	6.8%	\$ 5,544	4.8%
Public Safety/Corrections	100,864	5.8	13,743	15.8
Transportation	287,768	16.7	7,352	2.6
Health/Social Services	539,052	31.3	56,188	11.6
Education/Cultural	445,180	25.8	3,788	0.9
Resource Development/Recreation	71,791	4.2	8,365	13.2
Economic Development/Assistance	79,998	4.6	(6,274)	(7.7)
Debt Service	57,386	3.3	23,031	67.0
Capital Outlay	25,935	1.5	1,679	6.9
Total Expenditures	\$1,725,088	100.0	\$113,416	

An explanation of significant changes by expenditure function follows:

General Government - Expenditure increases were primarily due to 1) a \$4.9 million increase in local oil and gas severance tax revenue which is distributed 100% to local governments and 2) a \$.8 million increase in the reimbursement to local governments for the loss of property tax revenue associated with the reduction of class 8 property tax rates.

Public Safety/Corrections - Expenditure increases were primarily due to 1) an increase of approximately \$6.8 million in the amount of video gaming taxes collected and distributed to local governments and 2) a \$6.2 million increase in federal funds expended on law enforcement programs.

Transportation - Expenditure increases were primarily due to the receipt of an additional \$43.1 million in federal and state spending authority. This additional money was used to fund major reconstruction and repair projects involving the State's primary highway system. This increase in expenditures was offset by a \$31.7 million reduction in the reconstruction trust due to the completion of major reconstruction projects in fiscal year 1991.

Health/Social Services - Expenditure increases were primarily due to the expansion of public welfare programs administered by the Department of Social and Rehabilitation Services. The cost increases were funded primarily through federal assistance.

Education - Expenditure increases were due to the implementation of the school equalization special session supplement to pay back loans for the state foundation program due to the first time estimate of the 55-mill school tax.

Resource Development/Recreation - Expenditure increases were primarily due to 1) a \$5.6 million increase in fire suppression costs for the Department of State Lands; 2) a \$1.2 million increase in federal funds for the Department of Natural Resources Middlecreek program and 3) the expenditure of \$1.1 million of additional general license fees by the Department of Fish, Wildlife, and Parks.

Economic Development - Expenditure decreases were primarily due to 1) a one-time distribution of \$4.0 million in hardrock mining tax revenues to the counties in fiscal year 1991 and 2) the final coal transfer to the Department of Transportation for \$1.4 million in fiscal year 1991.

Debt Service - Expenditure increases were primarily due to the refunding of \$22.2 million in bonds by the Department of Natural Resources and Conservation.

Capital Outlay - Expenditures increased primarily because the major portion of project expenditures appropriated for the 1992-1993 biennium were incurred in fiscal year 1992.

General Fund Balance

The unreserved fund balance of the General Fund decreased from \$58.74 million at June 30, 1991, to \$24.486 million at June 30, 1992. This represents a decrease of \$34.214 million, or 58 percent. This decrease resulted from expenditures exceeding revenue primarily due to a shortfall in anticipated individual and corporate income tax revenues as well as a decrease in investment earnings.

As discussed earlier, the Legislature has taken measures to offset a projected revenue shortfall anticipated at the end of the 1993 biennium. These actions are expected to provide the General Fund with an unreserved fund balance of approximately \$25.1 million as of June 30, 1993.

Enterprise Operations

The State of Montana provides numerous goods and services to the public on a user charge basis, similar to a private business. Profits from two of these operations, the State Liquor Stores and the State Lottery, are used to fund other services provided by the State. Following is a summary of the operating results of these two entities in fiscal year 1992:

State Liquor Stores - The State regulates the sale, importation, distribution and manufacturing of alcoholic beverages in Montana. A portion of the liquor sales and excise and license taxes collected through this function along with any profits generated through the administration of this regulatory function, including those from the operation of State liquor stores, are transferred to the General Fund. In fiscal year 1992, \$13.03 million was transferred to the General Fund, compared to \$14.9 million in fiscal year 1991.

State Lottery - The Montana State Lottery was created by the electorate through the passage of Referendum 100 during the 1986 general election. Profits generated by this operation are transferred to the Office of Public Instruction (OPI) for distribution to local school districts and the Board of Crime Control (BCC) for grants to counties for youth detention services. Profits for fiscal year 1992 increased \$1.3 million to \$5.5 million with OPI receiving 98.4 percent and BCC 1.6 percent of the profits.

Pension Trust Fund Operations

The State contributes to eight retirement systems and is the administrator of one additional system. The two largest systems in terms of dollars contributed and employees covered are the Public Employees' Retirement System and the Teachers' Retirement System. Approximately 95 percent of the employees covered by these nine retirement systems are enrolled in either the Public Employees' Retirement System or the Teachers' Retirement System.

The current actuarial evaluations for these systems continue to reflect a stable funding trend. Net assets of the State's Pension Trust Funds on a market basis totaled \$2.4 billion (\$2.04 billion at cost) at June 30, 1992, which represents a 16 percent increase on a market basis (9 percent increase on a cost basis) from June 30, 1991. On a market value basis, the overall funding ratio was at 78.5 percent, an increase of 4.5 percent from the June 30, 1991 level. During fiscal year 1992 the funding ratio was unchanged at 67 percent on a cost basis.

Debt Administration

Montana receives excellent bond ratings from both Moody's Investors Service (Aa) and Standard & Poor's Corporation (AA-). State debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by a favorable vote of a majority of the State's electors voting thereon. There is no constitutional limit on the amount of debt that may be incurred by the State. The Montana Constitution does, however, prohibit the incurring of debt to cover deficits caused by appropriations exceeding anticipated revenue. General obligation debt decreased from \$70.05 million at June 30, 1991, to \$60.14 million at June 30, 1992.

The ratio of general obligation debt to assessed valuation and the amount of general obligation debt per capita are:

	<u>Amount</u> <u>(in thousands)</u>	<u>Ratio of</u> <u>Debt to 1992</u> <u>Assessed Value</u>	<u>State Debt</u> <u>Per Capita*</u>
General Obligation Debt	\$60,140	.21%	\$74.43

* Based on 1991 estimated Montana population.

Cash Management

The uniform investment program established by the 1972 Montana Constitution directs that the Board of Investments has sole authority to invest State funds. The Board operates under the "prudent person principle" which requires the Board to 1) discharge its duties in the same manner as that of a prudent person acting in a like capacity with the same resources and aims; 2) diversify the holdings of each fund to minimize the risk of loss and maximize the rate of return; and 3) discharge duties solely in the interest of and for the benefit of the funds managed. Permissible investments include bonds, notes, debentures, equipment obligations, common stock (pension trust and higher education funds only), commercial paper, bankers' acceptances, interest bearing deposits in Montana financial institutions, real estate and any other investment in a Montana business that continues existing jobs or creates new jobs. These investments are subject to statutory restrictions for quality and size of holdings. Approximately 94 percent of the State's investments are classified in the category of lowest credit risk as defined by the Governmental Accounting Standards Board, and all but 8 percent of the cash deposits were insured by federal depository insurance or collateralized at June 30, 1992.

Unless otherwise provided by law, treasury cash is pooled for investment regardless of the fund from which it is deposited and the pool's investment earnings are credited to the General Fund. The Board reported total investment income from investments under their management of \$294.8 million, an increase of 4.2 percent from the \$283 million earned last year. The book value of Board managed investments rose \$350 million or 10.3 percent to \$3.75 billion at fiscal year-end 1992. The Board publishes an annual audited report of all its investment activity. That report can be referenced for more in-depth investment information.

Risk Management

The State of Montana provides benefit coverage for injured state employees through participation in the State Compensation Mutual Insurance Fund (State Fund). The State Fund is a nonprofit, independent public corporation which is managed and controlled by a five member board of directors. The board members are appointed by the Governor for four year terms. Funding is primarily derived from the premiums paid by policyholders.

The 1991 Legislature passed legislation authorizing the Board of Investments to issue up to \$220 million in bonds to provide further funding for the State Fund - Old and to utilize the employer payroll tax to redeem the bonds issued. On July 15, 1991, \$142.095 million in bonds were issued payable from and secured by the employer payroll tax revenues.

At June 30, 1992, liabilities for the State Fund - Old exceeded assets by \$499.1 million. The actuarially determined liability for unpaid claims, including those which were incurred but not reported, decreased to \$406.7 million undiscounted. This represents a decrease of \$26.8 million in estimated claims liability from fiscal year 1991. The percentage of this liability belonging to the state as a participant is unknown. As indicated earlier, the State will consider a proposal to have a private insurer assume the liabilities of the State Fund - Old. For the State Fund - New, liabilities exceeded assets by \$54.25 million.

The State maintains self-insurance plans for employee comprehensive medical and dental coverage and State property.

Under the Group Employee Comprehensive Medical and Dental Plan the State assumes all the risk for claims incurred by State employees, elected officials, retirees and their dependents. The following exceptions and limitations apply to the Plan: 1) coverage is not provided to employees of the Montana University System; 2) organ transplants are reinsured with Blue Cross and Blue Shield of Montana; and 3) each plan member's medical benefits are limited to a lifetime maximum of \$1 million. Premiums are collected through payroll deductions, deductions through the Public Employees' Retirement System and self-payment. For the period ending June 30, 1992, the plan reported retained earnings of \$8.98 million.

The Montana University System Group Benefits Plan provides medical, dental, and vision insurance coverage to employees of the Montana University System and their dependents, retirees, and COBRA members. Beginning July 1, 1990, the plan is an "administrative services only" plan, whereby United of Omaha is the claims administrator and the University System assumes the full liability. The plan is reinsured at 125 percent of expected claims. For the period ending June 30, 1992, the plan reported retained earnings of \$1.65 million.

The State's property insurance plan provides coverage for general liability, automobile liability, automobile physical damage, retail liquor stores inventory and state-administered foreclosure housing units. The State self-insures the \$150,000 deductible per occurrence for property insurance. Commercial insurance companies pay the next \$50 million per occurrence. Premiums for the plan are collected from all State agencies, including higher education units. Based on the most recent actuarial report issued for the period July 1, 1982 through June 30, 1992, the present retained earnings is insufficient by \$10.5 million. The actuarial liability decreased \$4.2 million from that reported for the period ending June 30, 1990.

Independent Audit

The financial statements contained in Montana's Comprehensive Annual Financial Report were audited in accordance with generally accepted auditing standards by the Office of the Legislative Auditor. The Legislative Auditor is appointed by and reports to the Legislative Audit Committee. The Deputy Legislative Auditor issued an unqualified opinion on the State's financial statements for fiscal year 1992.

Certificate of Achievement

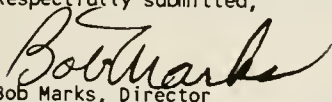
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Montana for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1991. This was the fifth consecutive year that the State received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to conform to the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for another Certificate.

Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated service of the entire staff of the Accounting Bureau and the cooperation of accounting personnel at the individual State agencies. I would like to express my appreciation to Accounting Bureau and other agency personnel who participated in the preparation of this document. I would also like to thank the legislature and all State agencies for their interest and support in planning and conducting the financial operations of Montana in a professionally responsible and progressive manner.

Respectfully submitted,

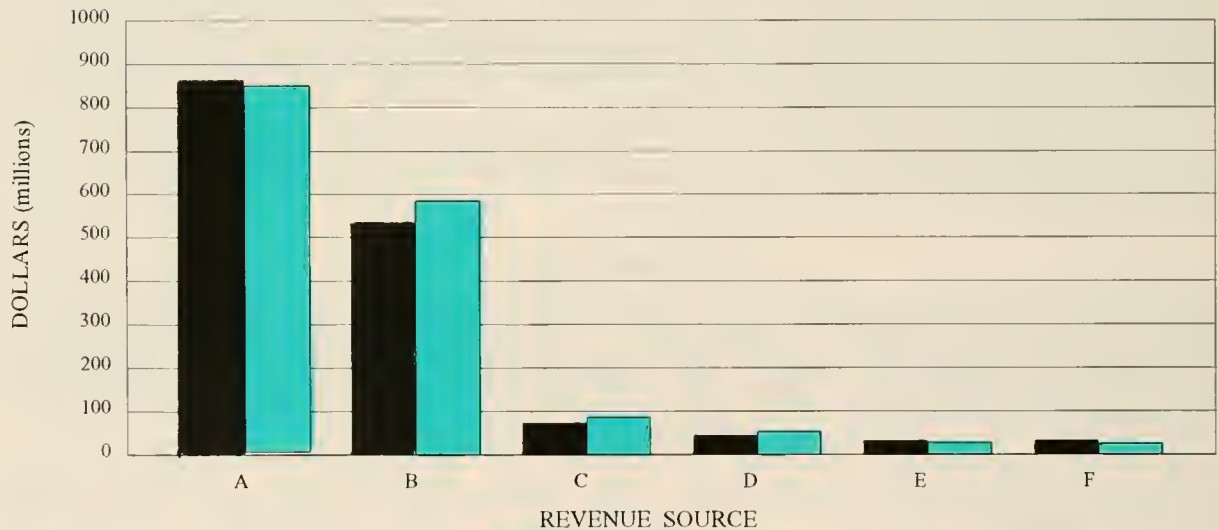
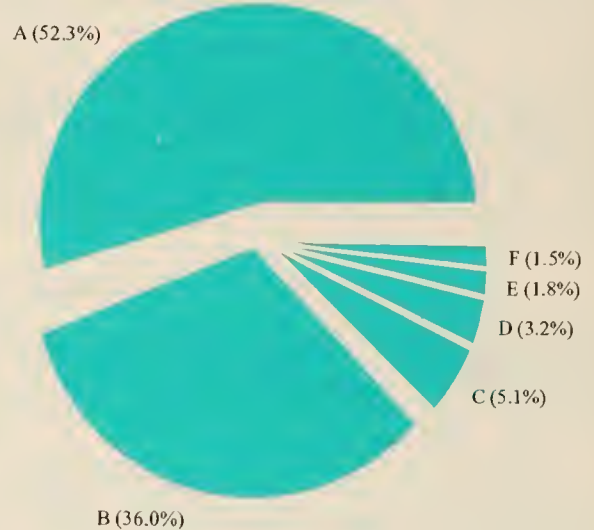
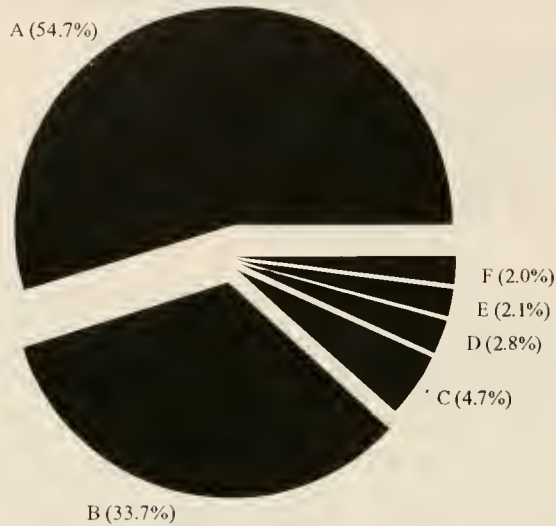

Bob Marks, Director
Department of Administration

STATE OF MONTANA

REVENUES BY SOURCE ALL GOVERNMENTAL FUND TYPES

FY 91

FY 92



LEGEND:



FY 91



FY 92

A. Taxes

B. Federal

C. Licenses/Permits

D. Charges for Services/Fines/Forfeits

E. Other Revenues (includes contributions, premiums, rentals, leases, royalties, grants, contracts, donations, federal indirect cost recoveries and sale of documents, merchandise and property)

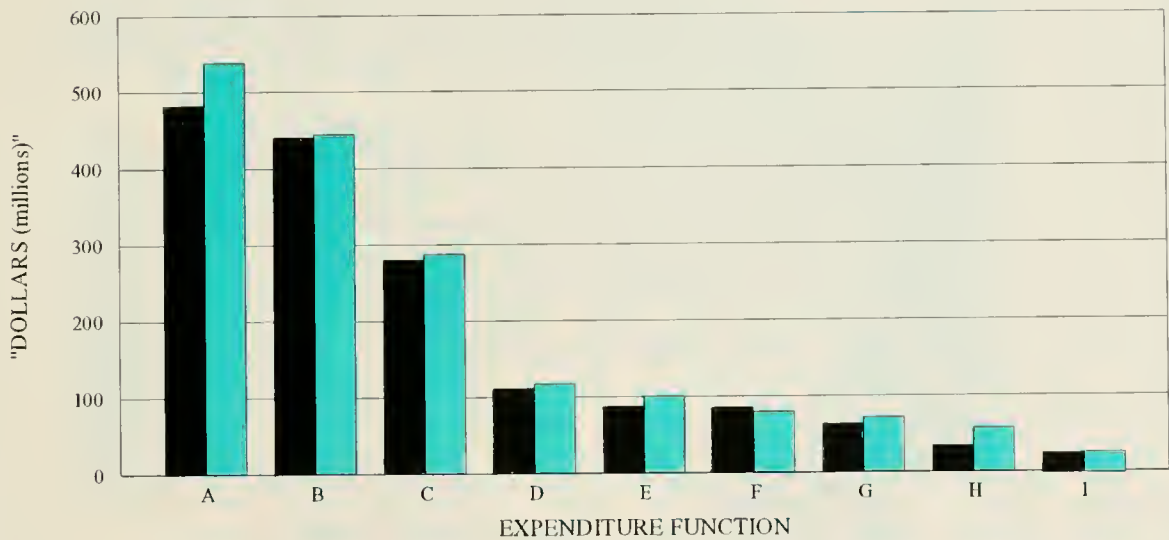
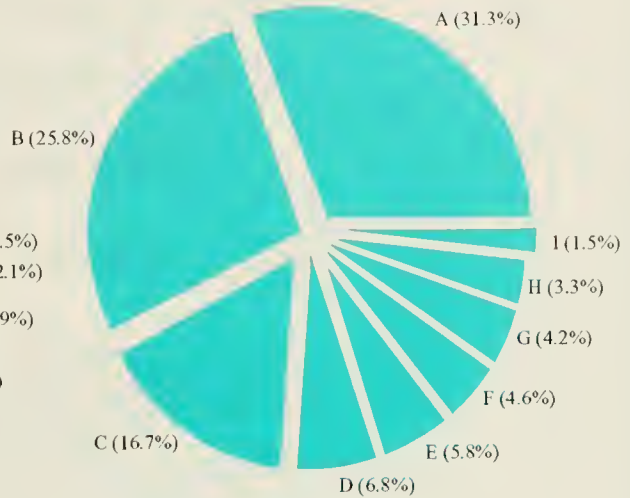
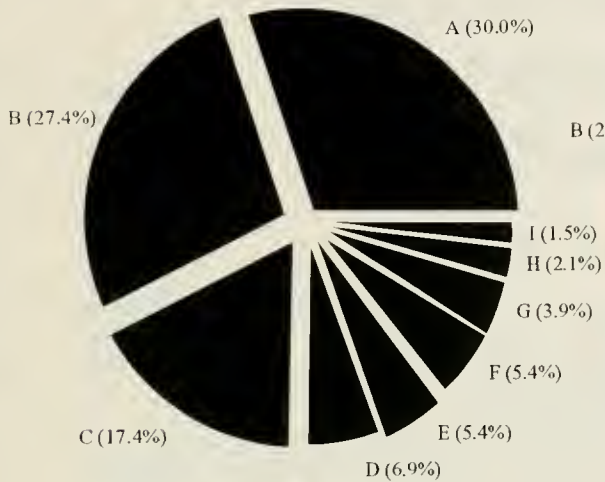
F. Investment Earnings

STATE OF MONTANA

EXPENDITURES BY FUNCTION ALL GOVERNMENTAL FUND TYPES

FY 91

FY 92



LEGEND:



FY 91



FY 92

A. Health/Social Services

B. Education/Cultural

C. Transportation

D. General Government

E. Public Safety/Corrections

F. Economic Development/Assistance

G. Resource Dev/Recreation

H. Debt Service

I. Capital Outlay

Certificate of Achievement for Excellence in Financial Reporting

Presented to

State of
Montana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1991

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

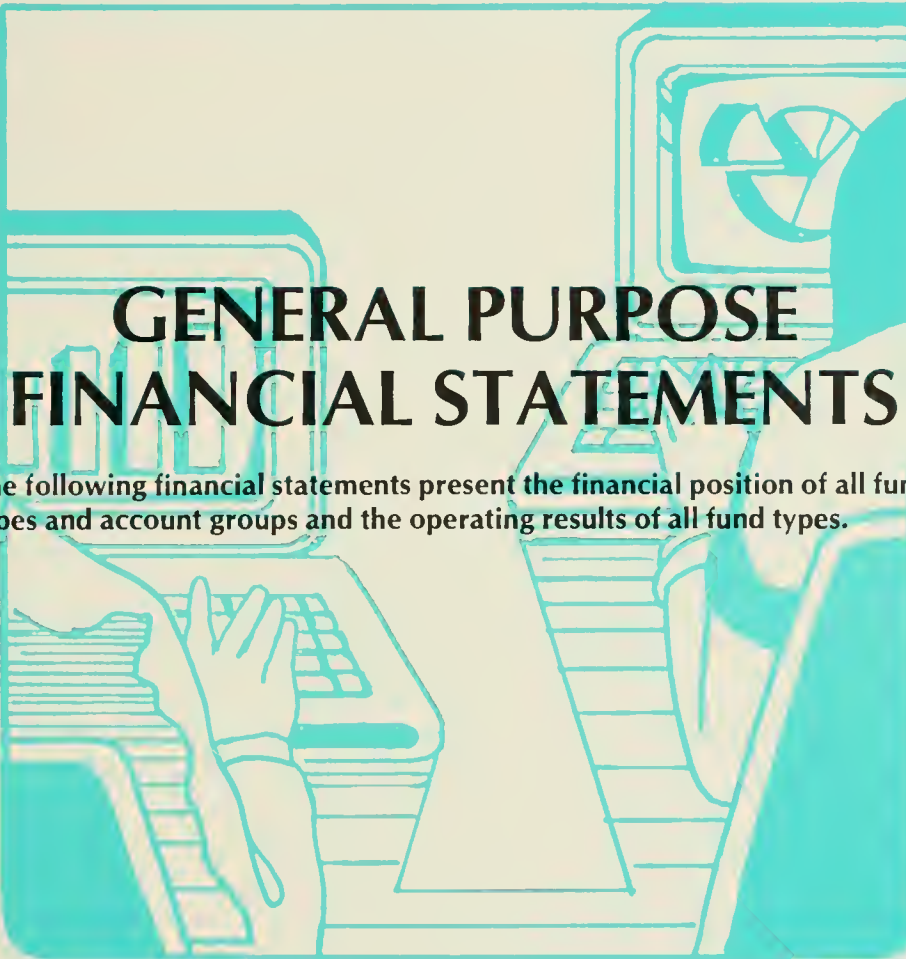


[Signature]
President

[Signature]
Jeffrey L. Esser
Executive Director



Montana



GENERAL PURPOSE FINANCIAL STATEMENTS

The following financial statements present the financial position of all fund types and account groups and the operating results of all fund types.

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Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59620
406/444-3122

DEPUTY LEGISLATIVE AUDITORS:

MARY BRYSON
Operations and EDP Audit

JAMES GILLET
Financial-Compliance Audit

JIM PELLEGRINI
Performance Audit

LEGISLATIVE AUDITOR:
SCOTT A. SEACAT

LEGAL COUNSEL:
JOHN W. NORTHEY

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying general purpose financial statements of the state of Montana, as of June 30, 1992, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the state of Montana management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Montana Board of Housing which statements reflect total assets, liabilities, revenues, and expenses of 66.2 percent, 41.4 percent, 17.1 percent, and 13.5 percent, respectively, of the related Enterprise Fund. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Montana Board of Housing is based solely on the report of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinion.

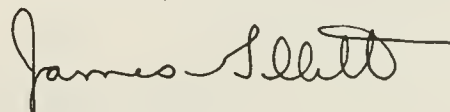
In our opinion, based on our audit and the report of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the state of Montana, as of June 30, 1992, and the results of its operations and the cash flows of its proprietary and nonexpendable trust fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in note 3 to the financial statements, the state of Montana changed its basis of reporting revenues during fiscal year ended June 30, 1992.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group statements/schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the state of Montana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The other data included in this report have not been audited by us, and accordingly, we express no opinion on such data.

Respectfully submitted,



James Gillett, CPA
Deputy Legislative Auditor

STATE OF MONTANA
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 1992
(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES				PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE	INTERNAL SERVICE
ASSETS/OTHER DEBITS						
Assets:						
Cash/Cash Equivalents (Note 4)	\$ 13,312	\$ 183,398	\$ 27,515	\$ 9,082	\$ 124,207	\$ 13,748
Receivables (Net of Uncollectibles)	58,017	53,640	11,264	188	43,462	168
Interfund Loans Receivable (Note 14)	37,604	71,099	-	-	26	15
Due from Other Governments	37	89,413	-	-	-	48
Due from Other Funds (Note 14)	33,456	25,648	5,322	77	8,191	4,059
Inventories	2,805	18,546	-	-	9,451	1,317
Equity in Pooled Investments (Note 4)	-	-	-	-	-	-
Long-Term Loans/Notes Receivable	23	8,467	34,976	14	474,893	3
Advances to Other Funds (Note 14)	690	-	-	-	-	-
Investments (Note 4)	-	7,487	6,621	-	326,351	4,322
Deferred (Gains) Losses	-	-	-	-	-	-
Land	-	-	-	-	690	236
Buildings/Improvements	-	-	-	-	4,041	17
Equipment	-	-	-	-	5,910	103,774
Other Fixed Assets	-	-	-	-	5	3
Construction in Progress	-	-	-	-	7	1,384
Accumulated Depreciation	-	-	-	-	(4,607)	(55,274)
Intangible Assets	-	-	-	-	89	587
Deferred Charges	-	-	-	-	13,808	56
Other Assets	1,151	2,056	45	11	11,291	232
Other Debits:						
Amount Available - Debt Service Funds	-	-	-	-	-	-
Amount to be Provided from Long-Term Loans	-	-	-	-	-	-
Resources to be Provided in Future Years	-	-	-	-	-	-
TOTAL ASSETS/OTHER DEBITS	\$ 147,095	\$ 459,754	\$ 85,743	\$ 9,372	\$ 1,017,815	\$ 74,695
LIABILITIES/EQUITY/OTHER CREDITS						
Liabilities:						
Accounts Payable	\$ 41,822	\$ 89,638	\$ 2,781	\$ 448	\$ 12,473	\$ 2,204
Lottery Prizes Payable	-	-	-	-	1,029	-
Interfund Loans Payable (Note 14)	46,000	62,627	21	134	-	332
Advances from Other Funds (Note 14)	-	515	-	-	175	-
Due to Other Governments	1	4,139	-	-	6	-
Due to Other Funds (Note 14)	14,799	31,521	711	10	11,089	1,819
Deferred Revenue	14,331	32,041	1,151	10	3,372	403
Installment Purch/Lease Payable (Note 12)	-	-	-	-	2	4,887
Bonds/Notes Payable (Net) (Note 13)	-	-	-	-	781,252	2,090
Property Held in Trust	138	1,786	-	9	19,049	68
Compensated Absences Payable (Note 1)	-	-	-	-	1,185	1,952
Estimated Claims (Notes 7/10)	-	-	-	-	629,125	15,102
Arbitrage Rebate Tax Payable	-	-	-	-	350	-
Other Liabilities	1	-	-	-	35	-
Total Liabilities	117,092	222,267	4,664	611	1,459,142	28,857
Equity/Other Credits:						
Investment in General Fixed/Plant Assets	-	-	-	-	-	-
Contributed Capital (Note 18)	-	-	-	-	14,983	4,925
Retained Earnings:						
Reserved (Note 16)	-	-	-	-	79,372	-
Unreserved	-	-	-	-	(535,682)	40,913
Fund Balances:						
Reserved for Encumbrances	1,999	17,122	-	4	-	-
Reserved for Inventories	2,805	18,546	-	-	-	-
Reserved for Advances to Other Funds (Note 14)	690	-	-	-	-	-
Reserved for Long-Term Loans	23	8,467	34,976	14	-	-
Reserved for Debt Service	-	-	46,103	-	-	-
Reserved for Trusts/Endowments (Note 16)	-	3,641	-	-	-	-
Reserved for Retirement Systems	-	-	-	-	-	-
Unreserved, undesignated (Note 3)	24,486	189,711	-	8,743	-	-
Total Equity/Other Credits	30,003	237,487	81,079	8,761	(441,327)	45,838
TOTAL LIABILITIES/EQUITY/OTHER CREDITS	\$ 147,095	\$ 459,754	\$ 85,743	\$ 9,372	\$ 1,017,815	\$ 74,695

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND TYPES	ACCOUNT GROUPS			TOTALS - JUNE 30 (MEMORANDUM ONLY)	
	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	HIGHER EDUCATION FUNDS	
				1992	1991
\$ 667,305	\$ -	\$ -	\$ 58,458	\$ 1,097,025	\$ 1,164,120
64,595	-	-	32,273	263,607	220,942
370	-	-	1,050	110,164	103,881
472	-	-	1,535	91,505	97,210
31,093	-	-	11,268	119,114	123,488
-	-	-	4,229	36,348	35,725
483,127	-	-	332	483,459	315,233
49,900	-	-	23	568,299	570,408
-	-	-	-	690	-
2,337,747	-	-	12,735	2,695,263	2,396,379
6,000	-	-	-	6,000	10,788
49,459	52,642	-	11,226	114,253	114,069
355	231,976	-	281,843	518,232	510,229
203	85,200	-	96,816	291,903	273,532
-	43,693	-	59,966	103,667	100,079
-	5,253	-	3,178	9,822	9,994
(305)	-	-	-	(60,186)	(53,116)
3	-	-	1,888	2,567	2,234
-	-	-	-	13,864	10,014
43,619	-	-	3,375	61,780	45,137
-	-	46,104	-	46,104	37,063
-	-	34,976	-	34,976	29,314
-	-	219,332	-	219,332	243,698
<u>\$ 3,733,943</u>	<u>\$ 418,764</u>	<u>\$ 300,412</u>	<u>\$ 580,195</u>	<u>\$ 6,827,788</u>	<u>\$ 6,360,421</u>
\$ 11,848	\$ -	\$ -	\$ 22,622	\$ 183,836	\$ 143,962
-	-	-	-	1,029	444
-	-	-	1,050	110,164	103,881
-	-	-	-	690	-
261,059	-	-	148	265,353	232,405
48,229	-	-	10,936	119,114	123,488
277	-	-	7,305	58,890	46,458
-	-	2,720	3,780	11,389	10,688
-	-	265,599	77,141	1,126,082	1,022,405
377,146	-	-	3,191	401,387	373,273
66	-	32,072	19,066	54,341	48,765
-	-	-	-	644,227	536,632
-	-	21	-	371	3,215
2,634	-	-	-	2,670	2,240
<u>701,259</u>	<u>-</u>	<u>300,412</u>	<u>145,239</u>	<u>2,979,543</u>	<u>2,647,856</u>
-	418,764	-	373,038	791,802	763,854
-	-	-	-	19,908	17,849
-	-	-	-	79,372	80,250
-	-	-	-	(494,769)	(403,236)
-	-	-	1,349	20,474	26,386
-	-	-	-	21,351	21,019
-	-	-	-	690	-
2,273	-	-	-	45,753	39,688
-	-	-	17,366	63,469	54,016
900,989	-	-	25,001	929,631	891,720
2,039,620	-	-	-	2,039,620	1,855,654
89,802	-	-	18,202	330,944	365,365
<u>3,032,684</u>	<u>418,764</u>	<u>-</u>	<u>434,956</u>	<u>3,848,245</u>	<u>3,712,565</u>
<u>\$ 3,733,943</u>	<u>\$ 418,764</u>	<u>\$ 300,412</u>	<u>\$ 580,195</u>	<u>\$ 6,827,788</u>	<u>\$ 6,360,421</u>

STATE OF MONTANA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances

All Governmental Fund Types and Expendable Trust Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	GOVERNMENTAL FUND TYPES					FIDUCIARY FUND TYPE	TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST		1992	1991
REVENUES:								
Licenses/Permits	\$ 22,669	\$ 60,075	\$ -	\$ -	\$ -	\$ -	\$ 82,744	\$ 74,162
Taxes:								
Gas/Oil/Coal Production	26,440	49,220	21,476	-	-	-	97,136	112,378
Individual Income	175,867	81,818	24,536	-	-	-	282,021	282,961
Corporate Income	32,052	20,113	5,517	-	-	-	57,682	74,320
Other (Note 1)	57,928	342,848	9,743	3,559	-	-	414,078	394,398
Charges for Services/Fines/Forfeits	21,429	30,719	240	139	18	18	52,645	43,679
Investment Earnings	16,400	4,809	3,105	477	7,560	7,560	32,351	39,584
Sale of Documents/Mdse./Property	160	18,232	1,699	-	-	-	18,091	17,146
Rentals/Leases/Royalties	197	200	-	-	-	-	397	528
Contributions/Premiums	-	3,355	-	-	38,411	38,411	41,766	43,308
Grants/Contracts/Donations	-	3,610	-	1	63	63	3,674	7,028
Federal	199	584,748	100	-	14,603	14,603	599,650	535,320
Federal Indirect Cost Recoveries	338	1,400	-	-	-	-	1,738	1,823
Other Revenues	492	1,650	615	35	-	-	2,792	2,367
Total Revenues	354,171	1,200,597	67,030	4,211	60,655	60,655	1,688,664	1,628,992
Intrafund Revenues	(25)	(10,201)	(17)	-	-	-	(10,243)	(48,097)
Net Revenues	354,146	1,190,396	67,013	4,211	60,655	60,655	1,678,421	1,580,895
EXPENDITURES:								
Current:								
General Government	60,103	56,991	12	8	-	-	117,114	111,570
Public Safety/Corrections	47,923	52,941	-	-	-	-	100,864	87,121
Transportation	449	285,199	2,120	-	49	49	287,817	281,080
Health/Social Services	178,940	362,112	-	-	-	-	539,052	482,864
Education/Cultural	61,128	384,052	-	-	59	59	445,239	441,409
Resource Development/Recreation	18,833	52,627	273	58	-	-	71,791	63,426
Economic Development/Assistance	3,691	78,307	-	-	54,829	54,829	134,827	133,715
Debt Service:								
Principal Retirement	871	39	30,434	-	-	-	34,344	13,244
Interest/Fiscal Charges	2,789	366	19,886	1	-	-	23,042	21,111
Capital Outlay	4,858	18,681	-	4,398	3	3	25,938	24,256
Total Expenditures	377,583	1,287,315	55,725	4,465	54,940	54,940	1,780,028	1,859,778
Intrafund Expenditures	(25)	(10,201)	(17)	-	-	-	(10,243)	(48,097)
Net Expenditures	377,558	1,277,114	55,708	4,465	54,940	54,940	1,769,786	1,811,679
Excess of Revenues Over (Under) Expenditures	(23,412)	(86,718)	11,305	(254)	5,715	5,715	(93,364)	(30,784)
OTHER FINANCING SOURCES (USES):								
Loan Proceeds	-	1,275	-	-	-	-	1,275	118
Bond Proceeds	169	-	-	-	-	-	169	3,345
Proceeds of Refunding Bonds	-	21,735	-	-	-	-	21,735	9,625
Payments to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	(9,625)
Inception of Lease/Installment Contract	1,149	136	-	-	-	-	1,285	624
General Fixed Asset Sale Proceeds	38	40	-	-	-	-	78	155
Operating Transfers In (Note 14)	98,167	90,753	49,900	881	11	11	237,712	199,481
Operating Transfers Out (Note 14)	(144,457)	(67,034)	(63,192)	(1,846)	(8)	(8)	(278,535)	(235,256)
Total Other Financing Sources (Uses)	(46,934)	46,905	(13,292)	(965)	5	5	(14,281)	(31,533)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(70,346)	(39,813)	(1,987)	(1,219)	5,720	5,720	(107,645)	(62,317)
Cum Eff of Chg in Acctg Prin. (Note 3)	30,885	35,318	3,535	-	-	-	69,738	-
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses After Cumulative Effect	(39,461)	(4,495)	1,548	(1,219)	5,720	5,720	(37,907)	(62,317)
FUND BALANCES - JULY 1 -								
As Previously Reported	84,381	250,532	66,378	8,981	86,620	86,620	478,592	550,839
Prior Period Adjustments (Note 3)	1,860	908	6,164	1,000	(265)	(265)	9,667	(11,779)
FUND BALANCES - July 1 - As Restated	85,941	251,440	72,542	9,981	86,355	86,355	488,259	539,060
Increase (Decrease) in Inventories	(357)	690	-	-	-	-	333	(150)
Residual Equity Transfers (Note 14)	3,880	(10,148)	6,989	(1)	-	-	720	-
FUND BALANCES - JUNE 30	\$ 30,003	\$ 237,467	\$ 81,079	\$ 8,761	\$ 92,075	\$ 92,075	\$ 449,405	\$ 478,593

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA

Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and
Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis – Unreserved Fund Balance
General and Special Revenue Fund Types

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE – FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE – FAVORABLE (UNFAVORABLE)
REVENUES:						
Licenses/Permits	\$ 21,256	\$ 22,669	\$ 1,413	\$ 58,038	\$ 80,075	\$ 2,037
Taxes:						
Gas/Oil/Coal Production	24,832	26,440	1,608	51,023	49,220	(1,803)
Individual Income	212,563	175,867	(36,696)	96,466	61,618	(14,848)
Corporate Income	31,440	32,052	612	19,567	20,113	516
Other Taxes	51,329	57,928	6,599	332,624	342,848	10,224
Charges for Services/Fines/Forfeits	20,741	21,429	688	36,079	30,719	(5,360)
Investment Earnings	18,153	18,400	(1,753)	4,849	4,809	180
Sale of Documents/Merchandise/Property	112	160	48	19,905	16,232	(3,673)
Rentals/Leases/Royalties	103	197	94	245	200	(45)
Contributions/Premiums	-	-	-	4,063	3,355	(708)
Grants/Contracts/Donations	-	-	-	6,892	3,610	(3,282)
Federal	450	199	(251)	656,578	564,748	(71,830)
Federal Indirect Cost Recoveries	180	338	158	1,475	1,400	(75)
Other Revenues	427	492	65	1,287	1,650	363
Total Revenues	381,586	354,171	(27,415)	1,288,921	1,200,597	(88,324)
EXPENDITURES:						
Current:						
General Government	64,737	60,115	4,622	98,558	57,288	41,270
Public Safety/Corrections	49,614	48,002	1,612	57,841	52,768	5,073
Transportation	1,461	474	987	305,949	287,166	18,783
Health/Social Services	179,326	176,834	2,492	391,353	363,660	27,693
Education/Cultural	84,617	61,169	3,448	396,801	384,198	12,606
Resource Development/Recreation	19,132	18,902	230	92,300	49,940	42,360
Economic Development/Assistance	3,721	3,631	90	94,940	76,189	18,751
Debt Service:						
Principal Retirement	871	871	-	44	44	-
Interest/Fiscal Charge	2,789	2,789	-	367	367	-
Capital Outlay	3,708	3,910	(202)	16,133	16,196	(62)
Total Expenditures	389,976	376,697	13,279	1,453,286	1,288,813	166,473
Excess of Revenues Over (Under) Expenditures	(8,390)	(22,526)	(14,136)	(164,365)	(88,216)	76,149
OTHER FINANCING SOURCES (USES):						
Loan Proceeds	-	-	-	2,775	1,275	(1,500)
Bond Proceeds	169	169	-	-	-	-
General Fixed Asset Sale Proceeds	81	38	(43)	17	40	23
Operating Transfers In	103,204	98,152	(7,052)	127,177	101,164	(26,013)
Operating Transfers Out	(158,155)	(144,648)	13,507	(88,971)	(80,299)	8,672
Total Other Financing Sources (Uses)	(54,701)	(46,289)	8,412	40,966	22,180	(18,816)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (Budgetary Basis)	(63,091)	(70,815)	(7,724)	(123,367)	(66,036)	59,331
RECONCILIATION OF BUDGETARY/GAAP REPORTING:						
1. Adjust expenditures for encumbrances.	-	(658)	(658)	-	(6,466)	(6,466)
2. Adjustments for appropriated loans/ other nonbudgeted activity.	-	1,129	1,129	-	30,686	30,686
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (GAAP Basis)	(63,091)	(70,344)	(7,253)	(123,367)	(39,816)	83,551
UNRESERVED FUND BALANCES – JULY 1	58,700	58,700	-	198,611	198,611	-
Residual Equity Transfers	3,860	3,860	-	14,852	(10,148)	(25,000)
Prior Period Adjustments	-	1,860	1,860	-	908	908
Cum Effect of Acctg Change	-	30,886	30,886	-	36,318	36,318
Decrease (Increase):						
Encumbrances Reserve	-	218	218	-	5,723	5,723
Advances to Other Funds Reserve	-	(690)	(690)	-	-	-
Long-Term Loans Reserve	-	(23)	(23)	-	(492)	(492)
Trusts/Endowments Reserve	-	-	-	-	(293)	(293)
UNRESERVED FUND BALANCES – JUNE 30	\$ (511)	\$ 24,486	\$ 24,997	\$ 89,996	\$ 189,711	\$ 99,715

The notes to the financial statements are an integral part of this statement.

(Continued on Next Page)

STATE OF MONTANA

Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis – Unreserved Fund Balance – Continued General and Special Revenue Fund Types

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	TOTALS (MEMORANDUM ONLY)		
	BUDGET	ACTUAL	VARIANCE – FAVORABLE (UNFAVORABLE)
REVENUES:			
Licenses/Permits	\$ 79,294	\$ 82,744	\$ 3,450
Taxes:			
Gas/Oil/Coal Production	75,855	75,680	(195)
Individual Income	309,029	257,485	(51,544)
Corporate Income	51,037	52,185	1,128
Other Taxes	383,953	400,778	18,823
Charges for Services/Fines/Forfeits	56,820	52,148	(4,672)
Investment Earnings	22,802	21,209	(1,593)
Sale of Documents/Merchandise/Property	20,017	18,392	(3,625)
Rentals/Leases/Royalties	348	397	49
Contributions/Premiums	4,063	3,355	(708)
Grants/Contracts/Donations	8,892	3,610	(3,282)
Federal	657,028	584,947	(72,081)
Federal Indirect Cost Recoveries	1,655	1,738	53
Other Revenues	1,714	2,142	428
Total Revenues	1,670,507	1,554,768	(115,739)
EXPENDITURES:			
Current:			
General Government	163,295	117,403	45,892
Public Safety/Corrections	107,455	100,770	8,685
Transportation	307,410	287,640	19,770
Health/Social Services	570,879	540,494	30,185
Education/Cultural	481,418	445,365	18,053
Resource Development/Recreation	111,432	68,842	42,590
Economic Development/Assistance	98,661	79,820	18,841
Debt Service:			
Principal Retirement	915	915	-
Interest/Fiscal Charges	3,156	3,156	-
Capital Outlay	18,841	19,105	(264)
Total Expenditures	1,843,262	1,663,510	179,752
Excess of Revenues Over (Under) Expenditures	(172,755)	(108,742)	64,013
OTHER FINANCING SOURCES (USES):			
Loan Proceeds	2,775	1,275	(1,500)
Bond Proceeds	169	169	-
General Fixed Asset Sale Proceeds	98	78	(20)
Operating Transfers In	230,381	197,318	(33,065)
Operating Transfers Out	(247,126)	(224,947)	22,179
Total Other Financing Sources (Uses)	(13,703)	(26,109)	(12,406)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (Budgetary Basis)	(185,458)	(134,851)	51,607
RECONCILIATION OF BUDGETARY/GAAP REPORTING:			
1. Adjust expenditures for encumbrances.	-	(7,124)	(7,124)
2. Adjustments for appropriated loans/ other nonbudgeted activity.	-	31,815	31,815
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (GAAP Basis)	(185,458)	(110,160)	75,298
UNRESERVED FUND BALANCES – JULY 1	257,211	257,211	-
Residual Equity Transfers	18,732	(8,268)	(25,000)
Prior Period Adjustments	-	2,768	2,768
Cum Effect of Acctg Change	-	66,203	66,203
Decrease (Increase):			
Encumbrances Reserve	-	5,941	5,941
Advances to Other Funds Reserve	-	(690)	(690)
Long-Term Loans Reserve	-	(515)	(515)
Trusts/Endowments Reserve	-	(293)	(293)
UNRESERVED FUND BALANCES – JUNE 30	\$ 89,485	\$ 214,197	\$ 124,712

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances
All Proprietary Fund Types and Similar Trust Funds
For the Fiscal Year Ended June 30, 1992
(Expressed In Thousands)

	PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	PENSION TRUST	1992	1991
OPERATING REVENUES:						
Charge for Services	\$ 73,299	\$ 55,480	\$ 7,150	\$ -	\$ 135,929	\$ 154,000
Investment Earnings	73,266	530	88,428	171,364	331,588	312,090
Contributions/Premiums	172,821	3,981	-	158,891	335,693	262,618
Taxes	9,970	-	5,630	-	15,600	15,100
Rentals/Leases/Royalties	-	-	20,125	-	20,125	20,141
Grants/Contracts/Donations	-	-	914	-	914	869
Other Operating Revenues	2,042	301	14	37	2,394	502
Total Operating Revenues	331,398	60,292	120,261	330,292	842,243	765,320
Intrafund Revenues	(21)	(7)	-	(17)	(45)	(295)
Net Operating Revenues	331,377	60,285	120,261	330,275	842,198	765,025
OPERATING EXPENSES:						
Personal Services	14,254	18,447	-	822	33,523	29,211
Contractual Services	13,824	5,224	-	692	19,740	18,296
Supplies/Materials	29,383	11,189	-	27	40,599	39,202
Expendable Equipment	252	1,365	-	1	1,818	66
Benefits	255,046	15,623	-	135,318	405,987	518,828
Refunds	-	-	-	12,285	12,285	14,914
Depreciation	695	9,488	-	26	10,209	8,522
Amortization	131	387	-	4	522	449
Utilities/Rent	1,096	3,203	-	87	4,366	4,223
Communications	1,516	7,986	-	90	9,592	9,113
Travel	384	307	-	25	718	608
Repair/Maintenance	589	3,477	-	12	4,078	4,096
Grants	-	-	20	-	20	-
Lottery Prize Payments	13,550	-	-	-	13,550	11,659
Interest Expense	63,758	536	-	-	64,294	55,458
Arbitrage Rebate Tax	72	-	-	-	72	75
Other Operating Expenses	2,357	605	10	119	3,091	1,908
Total Operating Expenses	396,907	77,837	30	149,488	624,262	714,624
Intrafund Expenses	(21)	(7)	-	(17)	(45)	(295)
Net Operating Expenses	396,886	77,830	30	149,471	624,217	714,329
Operating Income (Loss)	(65,509)	(17,545)	120,231	180,804	217,981	60,696
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) Sale of Fixed Assets	(18)	(159)	-	-	(177)	7
Increase (Decrease) Value of Livestock	(539)	-	-	-	(539)	101
Federal Indirect Cost Recoveries	-	6,454	-	-	6,454	4,588
Total Nonoperating Revenues (Expenses)	(557)	6,295	-	-	5,738	4,696
Income (Loss) Before Operating Transfers	(66,066)	(11,250)	120,231	180,804	223,719	65,392
Operating Transfers In (Note 14)	12,711	743	17,240	3,178	33,870	39,020
Operating Transfers Out (Note 14)	(25,517)	-	(101,742)	-	(127,259)	(121,604)
Net Income (Loss)	(78,872)	(10,507)	35,729	183,980	130,330	(27,192)
RETAINED EARNINGS/FUND BALANCES - July 1						
As Previously Reported	(376,330)	53,343	865,342	1,855,654	2,398,009	2,428,462
Prior Period Adjustments (Note 3)	(1,108)	175	228	(14)	(719)	7,948
RETAINED EARNINGS/FUND BALANCES - July 1 - As Restated						
	(377,438)	53,518	865,570	1,855,640	2,397,290	2,436,408
Residual Equity Transfers (Note 14)	-	(2,098)	(310)	-	(2,408)	(11,208)
RETAINED EARNINGS/FUND BALANCES - JUNE 30	\$ (456,310)	\$ 40,913	\$ 900,989	\$ 2,039,620	\$ 2,525,212	\$ 2,398,010

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA

Combined Statement of Cash Flows

All Proprietary Fund Types and Nonexpendable Trust Funds

June 30, 1992

(Expressed in Thousands)

	PROPRIETARY FUND TYPES			TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts for Sales and Services	\$ 245,905	\$ 59,608	\$ 7,031	\$ 312,544	\$ 272,757
Collections for Principal And Interest on Loans	132,870	-	-	132,870	89,531
Cash Payments for Loans	(75,002)	-	-	(75,002)	(81,684)
Payments to Suppliers for Goods and Services	(51,602)	(33,031)	-	(84,633)	(70,672)
Payments to Employees	(13,902)	(18,095)	-	(31,997)	(28,077)
Payments for Services Fees	-	-	-	-	(1,661)
Grant Receipts	-	6,212	-	8,212	4,660
Cash Payments for Claims	(159,932)	(2,855)	-	(162,787)	(160,836)
Collections of Notes Receivable	135	-	-	135	771
Cash Payments for Prizes	(13,484)	-	-	(13,484)	(11,980)
Transfers from Other Funds	-	332	-	332	117
Donations Received	-	-	786	786	869
Scholarship/Fellowship Payments	-	-	(10)	(10)	(4)
Other Operating Revenues	176	301	14	491	354
Net Cash Provided by (Used for) Operating Activities	65,164	12,472	7,821	85,457	14,145
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Payment of Principal and Interest on Bonds and Notes	(112,581)	-	-	(112,581)	(129,705)
Proceeds from Issuance of Bonds and Notes	207,683	-	-	207,683	120,723
Payment of Bond Issuance Costs	(4,876)	-	-	(4,876)	(906)
Collection of Taxes	9,970	-	5,596	15,566	15,095
Transfers to Other Funds	(23,888)	-	(116,484)	(140,372)	(121,674)
Transfers from Other Funds	13,909	451	27,182	41,542	34,752
Cash Payments for Loans	(46,000)	-	-	(46,000)	(32,000)
Collections for Principal And Interest on Loans	39,306	-	-	39,306	-
Proceeds from Interfund Loans	190	120	-	310	187
Interfund Loan Payments	(41)	(167)	-	(208)	(231)
Residual Equity Transfers to Other Funds	-	(794)	(1,313)	(2,107)	(5,056)
Residual Equity Transfers from Other Funds	-	-	902	902	-
Contributed Capital Transfers from Other Funds	26	139	-	165	5,056
Net Cash Provided by (Used for) Noncapital Financing Activities	83,698	(251)	(84,117)	(670)	(113,759)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of Fixed Assets	(735)	(6,786)	-	(7,521)	(10,441)
Proceeds from Sale of Fixed Assets	165	1,016	-	1,181	2,246
Transfers From Other Funds	-	-	-	-	78
Principal and Interest Payments on Bonds and Notes	(71)	(4,318)	-	(4,389)	(4,008)
Net Cash Used for Capital and Related Financing Activities	(641)	(10,088)	-	(10,729)	(12,125)
CASH FLOW FROM INVESTING ACTIVITIES:					
Purchase of Investments	(732,726)	(1,001)	(269,916)	(1,003,643)	(561,313)
Proceeds from Sales or Maturities of Investments	610,212	1,352	219,554	831,118	565,519
Interest and Dividends on Investments	31,774	561	82,536	114,871	107,873
Collections for Principal and Interest on Loans	-	-	13,212	13,212	7,704
Cash Payments for Loans	-	-	(18,590)	(18,590)	(6,972)
Collection of Rents/Leases/Royalties	-	-	20,232	20,232	20,147
Net Cash Provided by (Used for) Investing Activities	(90,740)	912	47,028	(42,800)	132,958
Net Increase (Decrease) in Cash and Cash Equivalents	77,481	3,45	(9,269)	31,258	21,119
Cash and Cash Equivalents, July 1	66,726	10,703	106,507	183,936	162,724
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 24,207	\$ 3,748	\$ 97,238	\$ 25,194	\$ 183,843

The notes to the financial statements are an integral part of this statement.

	PROPRIETARY FUND TYPES			TOTALS (MEMORANDUM ONLY) YEAR ENDED JUNE 30	
	ENTERPRISE	INTERNAL SERVICE	NONEXPENDABLE TRUST	1992	1991
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ (65,509)	\$ (17,545)	\$ 120,231	\$ 37,177	\$ (118,067)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Depreciation	695	9,488	-	10,183	8,498
Amortization	5,405	388	-	6,793	6,821
Taxes	(9,970)	-	(5,630)	(15,600)	(15,100)
Interest on Bonds and Notes	45,430	-	-	45,430	44,938
Interest on Investments	(30,993)	(530)	(86,429)	(117,952)	(110,246)
Federal Indirect Cost Recoveries	-	6,454	-	8,454	4,588
Interest Expense	13,128	534	-	13,662	6,218
Operating Transfers in	-	109	-	109	341
Rentals/Leases/Royalties	-	-	(20,125)	(20,125)	(20,141)
Change in Assets and Liabilities:					
Decr (Incr) in Accounts Receivable	(4,080)	1	-	(4,079)	(1,311)
Decr (Incr) in Due From Other Governments	-	(23)	-	(23)	7
Decr (Incr) in Due From Other Funds	(373)	451	(246)	(168)	10,288
Decr (Incr) in Inventories	(1,124)	32	-	(1,092)	4,658
Decr (Incr) in Long-term Loans/Notes Receivable	15,854	-	-	15,854	(33,909)
Decr (Incr) in Other Assets	(1,441)	11	-	(1,430)	(770)
Incr (Decr) in Accounts Payable	(144)	(65)	-	(209)	588
Incr (Decr) in Lottery Prizes Payable	585	-	-	585	(202)
Incr (Decr) in Due to Other Governments	6	-	-	6	-
Incr (Decr) in Due to Other Funds	2,261	323	20	2,604	(6,544)
Incr (Decr) in Deferred Revenue	(602)	(130)	-	(732)	(1,014)
Incr (Decr) in Property Held in Trust	1,593	9	-	1,602	774
Incr (Decr) in Other Liabilities	35	-	-	35	-
Incr (Decr) in Compensated Absences Payable	168	199	-	367	203
Incr (Decr) in Estimated Claims	94,240	12,766	-	107,008	233,527
Net Cash Provided by (Used For) Operating Activities	\$ 65,64	\$ 12,472	\$ 7,821	\$ 85,457	\$ 14,145
SCHEDULE OF NONCASH TRANSACTIONS:					
Fixed Asset Acquisitions from Capital Leases	\$ -	\$ 1,938	\$ -	\$ 1,938	\$ 2,078
Asset Acquisitions from Contributed Capital Transfers from Other Funds	7	236	-	243	173
Total Noncash Transactions	\$ 7	\$ 2,174	\$ -	\$ 2,181	\$ 2,251

STATE OF MONTANA
Statement of Changes in Fund Balance
All Higher Education Funds
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
REVENUES/OTHER ADDITIONS:				
Tuition/Fees	\$ 40,161	\$ 5,466	\$ 6,530	\$ 13
Federal Grants/Contracts	4,115	35	-	47,523
State Grants/Contracts	-	344	-	4,338
Local Grants/Contracts	-	-	-	291
Private Gifts/Grants/Donations	-	306	-	9,135
Endowment Income	-	-	-	8
Sales/Services-Educational Activities	947	1,203	1	95
Sales/Services-Designated/Auxiliary Enterprises	6	11,728	37,424	141
Indirect Costs Recovered	139	4,386	-	-
Investment Earnings	86	65	488	198
Acquisition of Long-Lived Assets	-	-	-	-
Retirement of Indebtedness	-	-	-	-
Other Revenues/Additions	237	1,480	329	93
Total Revenues/Other Additions	45,691	25,013	44,772	61,831
Intrafund Revenues/Other Additions	(60)	-	-	(63)
Net Revenues/Other Additions	45,631	25,013	44,772	61,768
EXPENDITURES/OTHER DEDUCTIONS:				
Instruction	81,583	3,197	-	4,600
Research	11,104	2,495	-	19,762
Public Service	5,455	3,092	-	7,294
Academic Support	14,404	612	-	1,429
Student Services	15,290	7,317	-	2,658
Institutional Support	16,961	758	-	251
Independent Operations	1,272	-	-	-
Scholarships/Fellowships	3,813	1	-	23,862
Auxiliary Enterprises	-	10	37,934	82
Operation/Maintenance of Plant	19,710	26	-	125
Expended for Plant	-	6	-	-
Debt Services	260	211	86	212
Capital Outlay	5,337	2,120	179	3,459
Disposal of Long-Lived Assets	-	-	-	-
Debt Incurred	-	-	-	-
Other Expenditures/Deductions	606	271	79	-
Total Expenditures/Other Deductions	175,797	20,119	38,278	63,734
Intrafund Expenditures/Other Deductions	(60)	-	-	(63)
Net Expenditures/Other Deductions	175,737	20,119	38,276	63,671
TRANSFERS IN (OUT)/OTHER ADDITIONS (DEDUCTIONS):				
Transfers from State General Fund	116,997	-	-	-
Millage Transfers	12,852	-	-	-
Mandatory Transfers	-	(903)	(5,765)	1
Nonmandatory Transfers	305	(725)	(411)	154
Total Transfers In (Out) (Note 14)	130,154	(1,628)	(6,176)	155
Move Equity to Investment in Plant	-	-	-	-
Loan Proceeds	-	-	2	-
Total Transfers In (Out)/Other Additions (Deductions)	130,154	(1,628)	(6,174)	155
Net Increase (Decrease) in Fund Balances	48	3,266	320	(1,748)
FUND BALANCES - July 1 - As Previously Reported	(11,795)	6,681	7,179	4,542
Prior Period Adjustments (Note 3)	(13)	69	-	(55)
FUND BALANCES - July 1 - As Restated	(11,808)	6,750	7,179	4,487
FUND BALANCES - June 30	\$ (11,760)	\$ 10,016	\$ 7,499	\$ 2,739

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS			PLANT FUNDS				TOTALS YEAR ENDED JUNE 30	
STUDENT LOANS	ENDOWMENTS	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT		1992	1991
\$ -	\$ -	\$ 2,027	\$ 857	\$ 2,111	\$ -	\$	57,185	\$ 49,493
732	-	-	14	23	-		52,442	45,160
51	-	-	10	-	-		4,743	4,488
-	-	-	-	-	-		291	437
21	8	-	15	-	-		9,483	12,112
-	-	-	-	-	-		8	7
-	-	-	-	-	-		2,246	2,208
-	-	5	14	-	-		49,318	46,603
-	-	-	-	-	-		4,526	1,156
431	2	178	270	1,245	-		2,959	3,455
-	-	-	-	-	24,574		24,574	29,788
-	-	-	-	-	4,469		4,469	5,134
323	-	141	155	875	-		3,633	8,781
1,558	8	2,349	1,335	4,254	29,043		215,854	208,800
-	-	(16)	-	-	-		(139)	(77)
1,558	8	2,333	1,335	4,254	29,043		215,716	208,723
-	-	31	-	-	-		89,411	79,365
-	-	-	-	-	-		33,364	26,978
-	-	-	-	-	-		15,841	10,538
-	-	-	-	-	-		18,445	18,107
9	-	-	-	-	-		25,274	19,784
-	-	-	-	-	-		17,970	20,693
-	-	-	-	-	-		1,272	1,279
-	-	-	-	-	-		27,678	26,049
-	-	-	-	-	-		38,026	35,914
-	-	-	-	-	-		19,881	20,977
-	-	726	2,685	10	-		3,427	3,021
-	-	277	84	8,746	-		9,878	11,360
-	-	683	1,032	-	-		12,810	11,790
-	-	-	-	-	7,207		7,207	14,192
-	-	-	-	-	2,013		2,013	8,977
220	-	-	-	-	-		1,178	1,601
229	-	1,717	3,801	8,756	9,220		321,651	308,623
-	-	(16)	-	-	-		(139)	(77)
229	-	1,701	3,801	8,756	9,220		321,512	308,546
-	-	-	-	-	-		118,997	101,454
-	-	-	-	-	-		12,852	13,499
-	-	(110)	46	8,388	-		1,855	2,752
97	(1)	281	4,518	(3,510)	-		708	654
97	(1)	171	4,564	4,878	-		132,212	118,359
-	-	(1,380)	(91)	-	-		(1,471)	(1,022)
-	-	-	-	-	-		2	250
97	(1)	(1,209)	4,473	4,878	-		130,743	117,687
1,426	7	(577)	2,007	374	19,823		24,946	15,764
21,012	2,018	4,367	5,299	18,953	353,215		409,471	393,801
-	538	-	-	-	-		539	(91)
21,012	2,556	4,367	5,299	18,953	353,215		410,010	393,710
\$ 22,438	\$ 2,563	\$ 3,790	\$ 7,305	\$ 17,327	\$ 373,038	\$	434,956	\$ 409,474

STATE OF MONTANA
Statement of Current Funds Revenues, Expenditures, Transfers and Other Changes
Higher Education Fund Type
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	CURRENT FUNDS				TOTALS	
	UNRESTRICTED				YEAR ENDED JUNE 30	
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED	1992	1991
REVENUES:						
Tuition/Fees	\$ 40,161	\$ 5,466	\$ 6,530	\$ 13	\$ 52,170	\$ 43,077
Federal Grants/Contracts	4,115	35	-	47,299	51,449	40,725
State Grants/Contracts	-	344	-	4,290	4,634	4,555
Local Grants/Contracts	-	-	-	291	291	44
Private Gifts/Grants/Donations	-	306	-	9,042	9,348	9,794
Endowment Income	-	-	-	6	6	7
Sales/Services-Educational Activities	947	1,203	1	95	2,246	1,943
Sales/Services-Designated/Auxiliary Enterprises	6	11,728	37,424	141	49,299	43,138
Indirect Costs Recovered	139	4,386	-	-	4,525	1,900
Investment Earnings	86	65	488	196	835	1,049
Other Revenues	237	1,480	329	93	2,139	4,858
Total Revenues	45,691	25,013	44,772	61,466	176,942	151,090
Intrafund Revenues	(60)	-	-	(63)	(123)	(263)
Net Revenues	45,631	25,013	44,772	61,403	176,819	150,827
EXPENDITURES:						
Educational and General:						
Instruction	81,583	3,197	-	4,600	89,380	77,063
Research	11,104	2,498	-	19,762	33,364	25,051
Public Service	5,455	3,092	-	7,294	15,841	9,999
Academic Support	14,404	612	-	1,429	16,445	17,095
Student Services	15,290	7,317	-	2,658	25,265	17,690
Institutional Support	16,961	758	-	251	17,970	20,199
Scholarships/Fellowships	3,813	1	-	23,862	27,676	23,240
Operation/Maintenance of Plant	19,710	26	-	125	19,861	19,764
Other Expenditures	608	271	79	-	958	1,001
Total Educational and General Expenditures	168,928	17,772	79	59,981	246,760	211,102
Intrafund Expenditures	(60)	-	-	(63)	(123)	(263)
Net Educational and General Expenditures	168,868	17,772	79	69,918	246,637	210,839
Auxiliary Enterprises	-	10	37,934	82	38,026	33,176
Independent Operations	1,272	-	-	-	1,272	1,244
Debt Services	260	211	86	212	769	267
Capital Outlay	5,337	2,126	179	3,459	11,101	8,875
Total Expenditures	175,737	20,119	38,278	63,671	297,805	254,401
TRANSFERS IN (OUT):						
Transfers from State General Fund	116,997	-	-	-	116,997	94,362
Millage Transfers	12,852	-	-	-	12,852	12,837
Mandatory Transfers	-	(903)	(5,765)	1	(6,667)	(5,861)
Nonmandatory Transfers	305	(725)	(411)	154	(677)	2,155
Total Transfers In (Out) (Note 14)	130,154	(1,628)	(6,176)	155	122,505	103,493
OTHER ADDITIONS (DEDUCTIONS):						
Restricted Receipts Over (Under)						
Transfers to Revenue	-	-	-	365	365	334
Loan Proceeds	-	-	2	-	2	-
Total Other Additions (Deductions)	-	-	2	365	367	334
Net Increase (Decrease) in Fund Balances	\$ 48	\$ 3,266	\$ 320	\$ (1,748)	\$ 1,886	\$ 253

The notes to the financial statements are an integral part of this statement.

STATE OF MONTANA

NOTES TO THE FINANCIAL STATEMENTS

June 30, 1992

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity - For financial reporting purposes, the State of Montana has considered all potential component units and has included all funds and account groups, agencies, boards, commissions, authorities, colleges, universities, and vocational-technical centers over which the State's executive, legislative and judicial branches exercise oversight responsibility. Oversight responsibility was determined on the basis of the following criteria as defined in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards: financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Other criteria used to evaluate potential component units include scope of public service and existence of special financing relationships. Based on this criteria, the following organizations are included in the accompanying financial statements:

Higher Education Units

State-owned Universities/Colleges/
Vocational-Technical Centers

Financing Authorities

Montana Board of Housing
Montana Health Facility Authority
Beginning Farm Loan Program

Though the following organizations perform functions related to the higher education units, they are not considered part of Montana's reporting entity because they do not fall within the oversight responsibility of the State's elected officials: (1) Community Colleges which are considered part of local units of government; and both (2) the Montana Higher Education Student Assistance Corporation, a private non-profit corporation, and (3) private foundations supporting public education, over which the State exercises neither financial nor administrative control.

B. Basis of Presentation - The accompanying financial statements for the State of Montana have been prepared in accordance with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements of the higher education funds have been prepared in conformity with GAAP for colleges and universities as prescribed by the National Association of College and University Business Officers (NACUBO) and the American Institute of Certified Public Accountants.

Significant intrafund transactions and balances have been eliminated.

The total columns on the Combined Financial Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Information in these columns does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles. The total columns also do not present consolidated financial information as interfund eliminations have not been made in the aggregation of this data.

C. Fund Structure - The State uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The financial activities of the State of Montana are classified into four fund categories and two account groups, as described below:

GOVERNMENTAL FUNDS

General Fund - To account for all governmental financial resources except those required to be accounted for in another fund.

Special Revenue Funds - To account for the proceeds of specific revenue sources restricted to expenditure for specified purposes (other than expendable trusts or major capital projects).

Debt Service Funds - To account for resources accumulated for payment of principal and interest on long-term general obligation debt.

Capital Projects Funds - To account for resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary or trust funds).

PROPRIETARY FUNDS

Enterprise Funds - To account for operations (1) financed and operated similar to private business enterprises, where the intent of the legislature is to finance or recover costs primarily through user charges; or (2) where the legislature has decided periodic determination of revenue earned, expenses incurred, or net income is appropriate.

Internal Service Funds - To account for the financing of goods and services provided by one department or agency to other departments, agencies or other governmental entities on a cost-reimbursement basis.

FIDUCIARY FUNDS

Trust and Agency Funds - To account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Pension Trust Funds; and (4) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group - To account for all fixed assets of the State, except those accounted for in the Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

General Long-Term Obligations Account Group - To account for all long-term obligations of the State, except those accounted for in Proprietary, Nonexpendable Trust, Pension Trust and Plant Funds.

HIGHER EDUCATION (UNIVERSITY AND VOCATIONAL-TECHNICAL CENTER) FUNDS

Current Funds

Unrestricted

General Operating - To account for the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the legislature.

Designated - To account for those resources associated with general operations which are separately classified in order to accumulate costs recharged to other funds and to identify special activities of educational departments which are supported by supplemental assessments and the receipt and disposition of special supply and facility fees which are approved for collection beyond normal course fees.

Auxiliary - To account for those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - To account for the portion of financial resources that can be expended only for purposes imposed by sources external to the Board of Regents and the legislature.

Fiduciary Funds

Student Loans - To account for moneys which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education units.

Endowments - To account for moneys where the principal is available for investment. Investment earnings are to be transferred to (or recorded directly in) appropriate operating funds pursuant to prevailing administrative requirements.

Agency - To account for moneys where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - To account for unexpended resources derived from various sources which are used to finance the acquisition/construction of plant assets and the associated liabilities.

Renewal and Replacement - To account for resources used to provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - To account for resources accumulated for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - To account for all long-lived assets in the service of the higher education unit as well as all associated liabilities.

D. Basis of Accounting - The accounting and reporting treatment applied to a fund is determined by its measurement focus. All Governmental Funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed in the Governmental Funds, Expendable Trust Funds and Agency Funds. Under the modified accrual basis, revenues are susceptible to accrual and recognized when they are measurable and available to pay current period liabilities. Intergovernmental revenues received as reimbursements are recognized based upon the expenditures incurred. Intergovernmental revenues received but not earned are recorded as deferred revenues. During fiscal year 1992, the State changed its determination of availability for taxes on coal sales, gas and oil production, individual income and other self-assessed taxes from when returns are filed to 60 days. Based on historical analysis, a liability has been recognized for collected withholding taxes to be refunded in fiscal year 1993. Expenditures are recognized when the related fund liability is incurred, with the following exceptions:

- (1) principal and interest on long-term debt is recognized when due;
- (2) prepayments are accounted for as expenditures in the period of acquisition; and
- (3) inventory items are considered expenditures when purchased.

All Proprietary, Pension Trust and Nonexpendable Trust Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means all assets and liabilities associated with these activities are included on their balance sheets. Operating statements for these funds present increases (revenues) and decreases (expenses) in net total assets.

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds are maintained and report on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred, if measurable. In Higher Education Funds, depreciation expense related to plant fund assets is not recorded; also, student tuition and fees are fully recognized in the fiscal year in which the related courses or activities are principally conducted. Proprietary and Higher Education Funds' unbilled receivables are recognized as revenue.

E. Cash/Cash Equivalents - For all funds, except the Board of Housing in the Enterprise Fund type, cash and cash equivalents consist of cash deposits, cash invested in STIP and short-term, highly liquid investments with original maturities of three months or less. The Board of Housing considers cash and cash equivalents to be cash held by the state treasurer, other cash deposits, and mortgage payments in transit.

F. Receivables - This classification, net of estimated uncollectibles, consists primarily of receivables for goods sold and services provided; short-term loans and notes; interest and dividends; taxes due within 60 days of fiscal year-end; and income, withholding and inheritance taxes that are past due. An allowance for uncollectible taxes is provided based upon historical analysis. The allowance for uncollectible taxes at June 30, 1992, is \$26.2 million.

G. Inventories - Inventories of materials and supplies are stated at cost. The State allows agencies to use any generally accepted inventory pricing method, but specifies the first-in, first-out method should be appropriate for most agencies.

Governmental and Expendable Trust Funds use the "purchase method," meaning inventory purchases are recorded as expenditures. At fiscal year-end significant amounts of inventory are shown as a reserve of fund balance, indicating they do not constitute "available spendable resources."

Proprietary, Pension Trust, Nonexpendable Trust and Higher Education Funds report using the "consumption method," meaning inventories are expensed as used.

H. Deferred (Gains) Losses - This classification is used in the Pension Trust Funds to reflect use of the deferral and amortization method of accounting for gains and losses on the exchange of securities.

I. Deferred Charges - Unamortized bond issuance costs are reported in this category.

J. Deferred Revenue - Deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

K. Fund Balance/Retained Earnings Reserves - Portions of fund equity are reported as "reserved" to indicate (1) amounts not available for expenditure, such as equity represented by inventories; and (2) amounts legally segregated for a specific future use, such as those pledged for debt service and retirement benefits or legally-binding contractual agreements.

L. Other Taxes - On the Combined Statement of Revenues, Expenditures and Changes in Fund Balances for All Governmental Fund Types and Expendable Trust Funds, the revenue category "Other Taxes" consists of the following taxes (in thousands):

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund
Property	\$ 297	\$160,740	\$ -	\$ -
Fuel	-	113,111	-	-
Vo-Tech/University				
Millage	-	14,514	-	-
Cigarette/Tobacco	-	-	9,743	3,559
Inheritance/Estate	11,338	-	-	-
Alcoholic Beverage	2,113	2,389	-	-
Miscellaneous	44,180	52,094	-	-
TOTAL OTHER TAXES	<u>\$57,928</u>	<u>\$342,848</u>	<u>\$9,743</u>	<u>\$3,559</u>

M. Property Taxes - Real property taxes are levied in October and are payable in two installments on November 30 and May 31. These taxes attach as an enforceable lien immediately if not paid when due. The State recognizes property tax revenues as available if they are collected within 60 days after fiscal year-end. Material delinquent and total uncollected current year property taxes receivable are recorded in Receivables (Net).

Personal property tax levies are set each August and notices are normally mailed the following March or April. Half of mobile home taxes are due in 30 days and the remaining half on September 30. Taxes on all other types of personal property are to be paid in full 30 days after receipt of the notice. Personal property taxes attach as an enforceable lien immediately if not paid when due.

Property taxes are collected by each of Montana's 56 counties. The counties then remit the State's portion to the State Treasury. The majority of these taxes help fund public school systems and higher education.

N. Compensated Absences - Full-time state employees earn vacation leave ranging from 15-24 days per year depending on the individual's years of service. Teachers employed by the State do not receive vacation leave. Vacation leave may be accumulated and carried over from one year to the next. The carryover is limited to two times the maximum number of days earned annually. Sick leave is earned at the rate of 12 days per year with no limit on accumulation. Each contribution year, an employee may contribute a maximum of 40 hours of sick leave to a nonrefundable sick leave pool. For fiscal year 1992, 563 hours were contributed to the sick leave pool and 538 hours were withdrawn leaving a balance of 4,582 hours in the pool. No liability is reported in the accompanying financial statements because these hours are nonrefundable to participants except by grants approved through an application process.

Vested or accumulated leave of proprietary and pension trust funds is recorded as an expense and liability of those funds and for higher education the expense and liability is recorded in the current unrestricted funds as the benefits accrue to employees. The liability amount recorded in the General Long-Term Obligations Account Group is not expected to be liquidated with expendable financial resources, thus no expenditure or liability is reported in the governmental funds. Upon retirement or termination, an employee is paid for 100% of unused vacation leave and 25% of unused sick leave. As of June 30, 1992, the State's liability for unused vacation and sick leave for Higher Education Funds was \$19.1 million. The remaining agencies' leave liabilities at June 30, 1992, were \$35.3 million, an increase of \$3.4 million over the June 30, 1991, leave liability of \$31.9 million. The following table reflects the change (in millions):

	Balance July 1, 1991	Leave Earned	Leave Used	Balance June 30, 1992
Governmental Fund Types and Similar Trust Funds	\$ 29.0	\$ 22.8	\$ 19.7	\$ 32.1
Proprietary Fund Types and Similar Trust Funds	<u>2.9</u>	<u>2.4</u>	<u>2.1</u>	<u>3.2</u>
Total Non-Higher Education Funds	<u>\$ 31.9</u>	<u>\$ 25.2</u>	<u>\$ 21.8</u>	<u>\$ 35.3</u>

2. BUDGETARY REPORTING

A. State Budget Process - Montana is a biennial budget state. The constitution requires that legislative appropriations not exceed available revenues. Revenue estimates are adopted by the legislature for budgetary purposes but do not represent a legal restriction on actual revenues. Expenditures may not legally exceed budgeted appropriations. In addition, the State Constitution prohibits borrowing to cover deficits incurred because appropriations exceeded anticipated revenues. State law requires an appropriation for disbursements from the General, Special Revenue, Capital Projects, Enterprise and Internal Service Funds. Budgets may be established in other funds for administrative purposes.

Agency budget requests are submitted to the Governor and the legislative fiscal analyst. The Governor and budget director establish priorities and balance the budget. The Governor's budget is submitted to the legislative fiscal analyst who then prepares recommendations. A comparison of those recommendations with the Governor's budget is submitted to the legislature. Joint appropriations subcommittee hearings are held and an omnibus appropriation bill is reported in the House and subsequently sent to the Senate.

The legislature generally enacts one bill making all appropriations for the next two fiscal years. Other appropriations are enacted by the legislature, but only within the available revenue. Agencies must prepare and submit to the budget director operational plans showing the allocation of operating budgets by expenditure category (i.e., personal services, contractual services, equipment, etc.). The budget director or other statutorily designated approving authority may authorize changes among expenditure categories and transfers between program appropriations.

Appropriations may not be increased by amendment in the General Fund. However, a department, institution or agency of the executive branch desiring authorization to make expenditures from the General Fund during the first fiscal year of the biennium from appropriations for the second fiscal year of the biennium may apply for authorization from the Governor through the budget director. Additionally, the Governor, or his designee, may approve budget amendments for non-General Fund moneys not available for consideration by the legislature and for emergencies. In the accompanying financial statements, reported budget amounts are as amended. Budget amendments authorized for fiscal year 1992 were not material. There were no expenditures in excess of total authorized appropriations in the State's budgeted funds for the fiscal year.

Appropriations may be continued into the next fiscal year when authorized by the legislature or the Governor's Office. After fiscal year-end, appropriations that are not continued are reverted. The reverted appropriations remain available for one fiscal year for expenditures that exceed the amount accrued/encumbered. Fund balances/retained earnings are not reserved for reverted appropriations. For fiscal year 1992, reverted appropriations for all funds were \$166 million.

Because appropriations for Capital Projects Funds' are not made on an annual basis, activities for the Capital Projects Funds are not presented in the Combined Statement of Revenues, Expenditures, Other Financing Sources (Uses) and Reconciliation of Budget and Actual (Budgetary Basis) to GAAP Basis - Unreserved Fund Balance.

B. Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded as expenditures and liabilities in order to reserve that portion of the applicable appropriation, is employed for budget control purposes. Encumbrances outstanding at fiscal year-end are reported as reservations of fund balances for subsequent year expenditures.

C. Budget Basis - The legislature's legal authorization ("appropriations") to incur obligations is enacted on a basis inconsistent with GAAP. The budget basis differs from GAAP for encumbrances outstanding at fiscal year-end; compensated absences, fixed assets and inventories purchased in Proprietary Funds; compensated absences and inventories purchased in Higher Education Funds; certain loans from Governmental Funds; deferred gains (losses) on bond swaps; and other miscellaneous nonbudgeted activity (e.g., bad-debt write-offs, etc.). The General and Special Revenue Fund Type budgetary statement includes a reconciliation of unreserved fund balance between "Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses" on the budgetary basis and the GAAP basis.

3. ACCOUNTING AND REPORTING CHANGES

The State made the following changes in its accounting and reporting practices to enhance conformance with GAAP:

Prior Period Adjustments - For the fiscal year ended June 30, 1992, the following adjustments to correct errors of prior periods have resulted in restatements (in thousands) of beginning fund equity.

<u>Fund Type</u>	<u>Increase (Decrease)</u>
General	\$ 1,860
Special Revenue	908
Debt Service	6,164
Capital Projects	1,000
Enterprise	(1,108)
Internal Service	175
Expendable Trusts	(265)
Nonexpendable Trusts	228
Pension Trusts	(14)
Higher Education:	
General Operating	(13)
Designated	69
Restricted	(55)
Endowments	538
Totals	<u>\$ 9,487</u>

Change in Accounting Principle - During fiscal year 1992, the state changed its method of recording revenues for taxes on coal sales, gas and oil production, individual income and other self-assessed taxes from when it receives the taxes to recording revenue if the tax is due within 60 days. This method of accounting for these taxes is a more preferable method in that it meets the measurable and available criteria.

This change in accounting principle increased unreserved fund balance in the governmental funds as follows (in thousands): General Fund \$28,719; State Special Revenue Fund \$29,011; and Debt Service Fund \$2,664.

The unreserved fund balance in the General Fund went from (\$4.233) million to \$24.486 million as a result of this change in accounting principle.

The effect of the accounting change on the Excess of Revenues and Other Sources over Expenditures and Other Uses in these funds as previously reported for June 30, 1991, is shown on the Combined Statement of Revenues, Expenditures and Changes in Fund Balances as "Cumulative Effect of Change in Accounting Principle". The change to the beginning fund balances in each fund is as follows (in thousands): General Fund \$30,885; State Special Revenue Fund \$35,318; and Debt Service Fund \$3,535.

4. CASH/CASH EQUIVALENTS AND INVESTMENTS

This footnote details the following balance sheet classifications (in thousands):

Cash/Cash Equivalents	\$ 1,097,025
Equity in Pooled Investments	\$ 483,459
Investments	\$ 2,695,263

Carrying amounts and market values (Bank Balance for Cash Deposits) for the State's cash/cash equivalents and investments are presented in Tables 1 through 7. The State's cash equivalents and investments are categorized in Table 2 - Short-Term Investment Pool (STIP), Table 4 - Cash Equivalents, Table 5 - Equity in Pooled Investments and Table 7 - Investments to disclose the level of risk assumed by the State at fiscal year-end. Category 1 includes investments that are insured, registered or uninsured, unregistered securities held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the State's name. None of the State's cash equivalents or investments were classified in Category 3 at fiscal year-end.

Under a security lending agreement with the State's agent, all of the State's investments may be loaned. The agreement requires the collateralization of loaned securities with securities at 102% of their face value.

A. Cash/Cash Equivalents

(1) Cash Deposits - The State's main depository bank balance fluctuates daily. The State requires collateralization based on an average daily bank balance. For other depository banks, State statutes require collateralization at 50% of the bank balance. All securities pledged for collateral are held by the State or by the State's agent or its pledging institution in the State's name (see risk category 1 and 2, Table 1).

TABLE 1 - CASH DEPOSITS (In Thousands)

<u>Risk Category</u>	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Fund</u>
Insured (FDIC)	\$ 5,159	\$ 5,159	Various
Uninsured:			
(1) Collateral held by State/State's agent	229,088	20,885	Various
(2) Collateral held by pledging institution	88,092	88,092	Various
(3) Uncollateralized	24,219	15,112	Various
	346,558	<u>\$129,248</u>	
Outstanding Warrants	<u>(38,900)</u>		
TOTAL CASH DEPOSITS	<u>\$307,658</u>		

(2) Short-Term Investment Pool (STIP) - STIP consists of cash in the State Treasury not invested by individual funds in identifiable securities. Cash is pooled and invested in short-term instruments. Each investing fund, including local governments outside this reporting entity, purchase units in STIP. STIP is under the control of the Board of Investments.

TABLE 2 - SHORT TERM INVESTMENT POOL (STIP) (In Thousands)

	<u>Categories</u>		<u>Carrying Amount</u>	<u>Market Value</u>	<u>Fund</u>
	<u>1</u>	<u>2</u>			
Government Securities	\$ 53,365	\$ -	\$ 53,365	\$ 53,650	Various
Bankers' Acceptances	371,066	-	371,066	371,154	Various
Commercial Paper	154,638	-	154,638	154,659	Various
Repurchase Agreements	76,595	-	76,595	76,595	Various
Corporate Obligations	114,901	-	114,901	114,907	Various
	<u>\$770,565</u>	<u>\$ -</u>	<u>\$770,565</u>	<u>\$770,965</u>	
Securities on Loan:					
Government Securities			9,880	9,916	
TOTAL STIP			<u>\$780,445</u>	<u>\$780,881</u>	

As of June 30, 1992, total STIP included securities owned by local governments with both a carrying value and a market value of \$260,634,900.

(3) Cash Equivalents - Cash equivalents are short-term, highly liquid investments with original maturities of three months or less. Cash equivalents may be under the control of the Board of Investments (the Board) or other agencies as allowed by law.

TABLE 3 - CASH EQUIVALENTS (In Thousands)

Fund Type	Carrying Amount	Market Value	Govt. Secur.	Money Market	Commercial Paper
Enterprise					
Carrying Amount	\$4,876		\$4,876	\$ -	\$ -
Market Value		\$4,876	4,876	-	-
Internal Service					
Carrying Amount	1,544		480	-	1,064
Market Value		1,544	480	-	1,064
Higher Education					
Carrying Amount	2,502		2,232	270	-
Market Value		2,502	2,232	270	-
Total Cash Equivalents:					
Carrying Amount	<u>\$8,922</u>		<u>\$7,588</u>	<u>\$270</u>	<u>\$1,064</u>
Market Value		<u>\$8,922</u>	<u>\$7,588</u>	<u>\$270</u>	<u>\$1,064</u>

TABLE 4 - CASH EQUIVALENTS (RISK CATEGORIES) (In Thousands)

Security Type	Categories		Carrying Amount	Market Value
	1	2		
Government Securities	\$ 7,108	\$ 480	\$ 7,588	\$ 7,588
Money Markets	270	-	270	270
Commercial Paper	-	1,064	1,064	1,064
TOTAL	<u>\$ 7,378</u>	<u>\$ 1,544</u>	<u>\$ 8,922</u>	<u>\$ 8,922</u>

B. Equity in Pooled Investments - Consists of cash pooled and invested in common stock of publicly held companies. Known as MONTCOMP (Montana Common Stock Pool), participation is restricted to expendable, nonexpendable, pension and higher education endowment funds. MONTCOMP purchases are subject to statutory restrictions for quality and size of holdings.

TABLE 5 - EQUITY IN POOLED INVESTMENTS (In Thousands)

MONTCOMP	Categories		Carrying Amount	Market Value	Fund
	1	2			
Corporate Stocks	<u>\$463,106</u>	<u>\$ -</u>	\$463,106	\$598,208	Various
Securities on Loan:					
Corporate Stocks			<u>20,353</u>	<u>26,925</u>	
TOTAL MONTCOMP			<u>\$483,459</u>	<u>\$625,133</u>	

C. Investments - Investments are primarily administered by three state agencies. Article 8 of Montana's Constitution, with supporting statutes, provides the Board of Investments with the authority to manage the State's uniform investment program. State law specifies which agencies may hold investments outside the administration of the Board. The Board, as the State's primary administrator of long-term investments, actively manages 89% of those investments; the Board of Housing, 8%; and the Department of Administration's Personnel Division, 3% for the State's Deferred Compensation Plan.

The Board must employ the "Prudent Expert Rule" in managing the State's investment portfolio. The funds carry equity securities at cost and debt securities at amortized cost. Deferred compensation plan investments are carried at market.

The Board of Investments continued to invest in leveraged buyouts and venture capital in fiscal year 1992. The Board's total leveraged buyout commitment, administered by Kohlberg, Kravis, Roberts and Companies, amounts to \$50,300,000. The leveraged buyout invested balance for the pension funds amounted to \$22,690,630 on June 30, 1992.

For the purpose of portfolio diversification, the Board has committed \$17,600,000 for venture capital investments administered by Brinson Partners. The June 30, 1992 venture capital invested balance totaled \$4,170,001 for the Teachers' Retirement and \$5,096,671 for the Public Employees' Retirement systems.

In September 1991, the board committed \$5,000,000 per year for the next five years to invest in mortgage servicing rights. As of June 30, 1992, the invested balance in America's Mortgage Servicing, Inc., totaled \$1,382,356 for the Teachers' Retirement and \$1,689,546 for the Public Employees' Retirement systems.

TABLE 6 - INVESTMENTS (CARRYING AMOUNT/MARKET VALUE) (In Thousands)

Fund Type	Carrying Amount	Market Value	Corporate Bonds	Government Securities	Mortgages	Bond Anticipation Notes		Other
Special Revenue								
Carrying Amount	\$ 7,487		\$ 3,091	\$ 4,396	\$ -	\$ -		\$ -
Market Value		\$ 7,708	3,216	4,492	-	-		-
Debt Service								
Carrying Amount	6,621		-	6,621	-	-		-
Market Value		6,806	-	6,806	-	-		-
Enterprise								
Carrying Amount	326,351		32,125	247,128	-	-		47,098
Market Value		342,941	33,061	260,682	-	-		49,198
Internal Service								
Carrying Amount	4,322		1,500	2,822	-	-		-
Market Value		4,544	1,618	2,926	-	-		-
Nonexpendable Trust								
Carrying Amount	746,113		562,732	180,333	-	3,048		-
Market Value		789,582	598,550	187,984	-	3,048		-
Pension Trusts								
Carrying Amount	1,511,962		1,088,833	262,859	118,540	-		41,730
Market Value		1,600,266	1,153,878	271,923	118,540	-		55,925
Higher Education								
Carrying Amount	12,735		-	12,098	-	-		637
Market Value		12,960	-	12,299	-	-		661
Totals Identifiable Investments:								
Carrying Amount	\$2,615,591		\$1,688,281	\$716,257	\$118,540	\$ 3,048		\$ 89,465
Market Value		\$2,764,807	\$1,790,323	\$747,112	\$118,540	\$ 3,048		\$105,784
Deferred Compensation								
Carrying Amount	79,672							
Market Value		79,672						
TOTAL INVESTMENTS	\$2,695,263	\$2,844,479						

TABLE 7 - INVESTMENTS (RISK CATEGORIES) (In Thousands)

Security Type	Categories		Carrying Amount	Market Value
	1	2		
Corporate Bonds	\$1,671,902	\$ -	\$1,671,902	\$1,772,509
Government Securities	403,976	159,894	563,870	534,485
Bond Anticipation Notes	3,048	-	3,048	3,048
Other	6,659	47,097	53,756	55,777
Subtotals	\$2,085,585	\$206,991	\$2,292,576	\$2,365,819
Pooled Def. Comp.	79,672	-	79,672	79,672
	<u>\$2,165,257</u>	<u>\$206,991</u>	<u>\$2,372,248</u>	<u>\$2,445,491</u>
Securities on Loan:				
Government Securities			152,387	212,627
Corporate Bonds			16,379	17,814
Direct Investments:				
Mortgages			118,540	118,540
Other			35,709	50,007
TOTAL			\$2,695,263	\$2,844,479

5. FIXED ASSETS

Fixed asset valuation is based on actual or estimated historical cost or, in the case of donations, fair market value on the date donated. Infrastructure fixed assets are generally not capitalized. Interest incurred during construction is not capitalized for general fixed assets or higher education units' fixed assets.

Fixed assets are not depreciated in the General Fixed Assets Account Group. When purchased, such assets are recorded as expenditures in the governmental fund types and Expendable Trust Funds. Fixed assets in Proprietary, Nonexpendable Trust and Pension Trust Funds are accounted for within their respective funds. They are depreciated on a straight-line basis with estimated useful lives of 30-50 years for buildings, 20 years for improvements and 4-12 years for equipment.

Fixed assets and intangible assets for Higher Education Units are accounted for in the Investment in Plant Fund and are not depreciated.

Intrafund transfers of fixed assets have not been eliminated in the table below or in the accompanying financial statements.

Changes in fixed asset balances (long-lived asset balances for Higher Education Funds) for the fiscal year ended June 30, 1992, are reflected in the following table (in thousands):

	Balance July 1, 1991	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 1992
PROPRIETARY FUNDS				
Land	\$ 926	\$ -	\$ -	\$ 926
Buildings/Improvements	3,799	642	383	4,058
Equipment	103,911	19,081	13,308	109,684
Other Fixed Assets	8	-	-	8
Construction in Progress	2,532	1,572	2,713	1,391
Subtotal/Total	111,176	\$ 21,295	\$ 16,404	116,067
Accumulated Depreciation	(52,837)			(59,881)
Total	\$ 58,339			\$ 56,186
NONEXPENDABLE TRUST FUNDS				
Land	\$ 49,399	\$ -	\$ -	\$ 49,399
PENSION TRUST FUNDS				
Land	\$ 60	\$ -	\$ -	\$ 60
Buildings/Improvements	355	-	-	355
Equipment	187	17	1	203
Subtotal/Total	602	\$ 17	\$ 1	618
Accumulated Depreciation	(279)			(305)
Total	\$ 323			\$ 313
GENERAL FIXED ASSETS ACCOUNT GROUP				
Land	\$ 52,574	\$ 2,603	\$ 2,535	\$ 52,642
Buildings/Improvements	227,543	24,448	20,015	231,976
Equipment	82,254	12,174	9,228	85,200
Other Fixed Assets	43,558	192	57	43,693
Construction in Progress	4,710	1,558	1,015	5,253
Total	\$ 410,639	\$ 40,975	\$ 32,850	\$ 418,764
HIGHER EDUCATION FUNDS				
Land	\$ 11,110	\$ 853	\$ 737	\$ 11,226
Buildings/Improvements	278,532	4,316	1,005	281,843
Equipment	87,180	14,784	5,148	96,816
Other Fixed Assets	56,513	3,651	198	59,966
Construction in Progress	2,752	1,655	1,229	3,178
Intangible Assets	1,440	494	46	1,888
Total	\$ 437,527	\$ 25,753	\$ 8,363	\$ 454,917

6. RETIREMENT SYSTEMS

A. Defined Contribution Plans - Effective January 1, 1988, eligible employees of the Montana University System (MUS) could elect to participate in the Optional Retirement Program (ORP). The ORP is a defined contribution retirement plan governed by Title 19, Chapter 21 of the Montana Code Annotated. The plan is underwritten by the Teachers' Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF) and only faculty and staff with contracts under the authority of the Board of Regents may elect to participate. Those faculty and staff members who do not elect ORP must participate in the Teachers' Retirement System, a defined benefit plan discussed in the next section.

The benefits at retirement depend upon the amount of contributions, amount of investment gains and losses and the employee's life expectancy at retirement. Under the ORP, each employee enters into an individual contract with TIAA-CREF. Individuals are immediately vested with all contributions. Higher education units record employee/employer contribution expenditures in the affected higher education subfund when remitting contributions to the Commissioner of Higher Education. These moneys are recorded in the Custodial Accounts Agency Fund. The Commissioner's Office then wire transfers the contributions to TIAA-CREF. The MUS is not liable for asset management or for providing benefits after the required contributions have been made to TIAA-CREF. Approximately 32% of eligible employees are members of the ORP. New employees have 90 days to make an election. Elections to a retirement plan are irrevocable during active employment. Employee contributions are 7.044% of salary and employer contributions are 2.956% of salary for a total of 10% of salary contributed to the ORP. There were no related party transactions in the current reporting period.

	TIAA-CREF (in thousands)
Covered Payroll	\$ 23,679
Total Payroll	154,474
Employer Contributions	\$ 700
Percent of Covered Payroll	2.956%
Employee Contributions	\$ 1,668
Percent of Covered Payroll	7.044%

B. Defined Benefit Plans - The State contributes to and/or administers nine retirement systems in four categories: (1) the State as the single employer; (2) the State as an employer contributor to cost-sharing multiple-employer plans; (3) the State as a nonemployer contributor to cost-sharing multiple employer plans; and (4) the State as an administrator - nonemployer, noncontributor.

The number of years required to obtain vested rights varies among the systems. All systems provide early retirement options, death benefits, termination (except VFRS) and disability benefits. All systems (except VFRS) provide post-retirement benefits. Post-retirement benefits for the GWRS, PERS, TRS and SRS are based on investment yield, retirees' total years of service, age and option chosen at the time of retirement. Post-retirement adjustments are made only in years when funding is available and does not increase the unfunded liability of the system. The post-retirement benefits of each of the remaining systems are included in the plan descriptions below.

The funding policies for each system provide for periodic employer and employee contributions (except VFRS) at rates specified by state law; contribution requirements are not actuarially determined. An actuary determines the actuarial implications of the funding requirement in a biennial actuarial valuation. VFRS is in the process of being valuated. The actuarial method used to determine the implications of the statutory funding level is the entry age normal funding method, with both normal cost and amortization of the unfunded accrued liability determined as a level percentage of payroll. To maintain the fund on an actuarially sound basis, the rate of contributions should fund the normal cost in addition to amortizing the unfunded liability over a period of 30 years. The Contributions Required (R) by State/Actual (A) Contributions section contains the number of years needed to fund the normal cost and amortize the unfunded liability. Additionally, each system functions uniquely as described below:

(1) State as the Single Employer

HPORS - Highway Patrol Officers' Retirement System - This system, established in 1971 and governed by Title 19, Chapter 6 of the Montana Code Annotated, provides retirement services for all members of the Montana Highway Patrol, including supervisory personnel. Member and State contributions are 9% and 36.28%, respectively, of total salaries for active highway patrol officers. For members hired on or before July 1, 1985, there is no minimum age, but minimum service is 20 years for benefit eligibility. A member hired after July 1, 1985, must be 50 years old and have 20 years of creditable service for benefit eligibility. The service retirement allowance is based on a formula of 2.5% times the number of years of service times the final average salary. Post-retirement benefits are 2% of a probationary highway patrolman's salary adjusted for years of service. Rights are vested after five years of service.

JRS - Judges' Retirement System - This system, established in 1967 and governed by Title 19, Chapter 5 of the Montana Code Annotated, provides retirement services for all persons employed as a judge of a district court or justice of the Supreme Court. The member contributes 6% of their salary except those members elected or appointed after July 1, 1983, who contribute 7%. The State contributes 6% of active judges' salaries, district court fees equal to 34.71% of salaries payable to district court judges and Supreme Court justices, and 25% of Supreme Court fees. For benefit eligibility, minimum service is 5 years and minimum age is 65. The monthly retirement allowance formula is 3 1/3% times the number of years of service (to a maximum of 15 years) times 1/12 the final salary, plus 1.785% of such final salary for each year of service after 15 years. The JRS retirees can receive an increase in benefits based on legislative action. Rights are vested after five years of creditable service.

GWRS - Game Wardens' Retirement System - This system, established in 1963 and governed by Title 19, Chapter 8 of the Montana Code Annotated, provides retirement services for all persons employed as a game warden, including all supervisory personnel. The member contributes 7.9% of salary and the State contributes 7.15% of active game wardens' salaries, plus all collections from fines and forfeited bonds related to fish and game law violations. For benefit eligibility, minimum age is 50 and minimum years of service are 20. A member may retire with ten years of service at age 55. The formula for a service retirement allowance is 2% times the number of years of service times the final average salary. Rights are vested after ten years of service.

(2) State as an Employer Contributor to a Cost-Sharing Multiple-Employer

PERS - Public Employees' Retirement System - This mandatory system, established in 1945 and governed by Title 19, Chapter 3 of the Montana Code Annotated, provides retirement services to substantially all public employees. For fiscal year 1992, the contribution rate is 6.417% of gross wages for both employees and employers. Benefit eligibility is age 60 with at least 5 years of service; age 65 regardless of service; or 30 years of service regardless of age. Actuarially reduced benefits may be taken with 25 years of service or at age 50 with at least five years of service. Monthly retirement benefits are determined by taking 1/56 times the number of years of service times the final average salary times any early retirement reduction if necessary. Members' rights are vested after 5 years of service.

TRS - Teachers' Retirement System - This mandatory system, established in 1937 and governed by Title 19, Chapter 4 of the Montana Code Annotated, provides retirement services to all persons employed as teachers or professional staff of any public elementary or secondary school, vocational-technical center or unit of the university system. Contribution rates are 7.044% of gross wages for employees and 7.459% of gross wages for employers. Eligibility is met with a minimum of 25 years of service or age 60 with 5 years of creditable service. The formula for annual benefits is 1/60 times creditable service times the final average compensation. Rights are vested after five years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits.

(3) State as a Nonemployer Contributor to a Cost-Sharing Multiple-Employer

MPORS - Municipal Police Officers' Retirement System - The system, established in 1975 and governed by Title 19, Chapter 9 of the Montana Code Annotated, covers all municipal police officers of cities covered by the plan. Member contribution is 6% of salary for members employed prior to July 1, 1975, 7.2% of salary for members employed after June 30, 1975, and prior to July 1, 1979, and 8.7% for members employed after June 30, 1979. City contributions are 13.92% of active police officers' salaries. The State contributes 15.66% of active police officers' salaries. The State's contribution is funded from the premium tax on motor vehicle property and casualty insurance policies. Minimum years of service are 20 for benefit eligibility. Any officers meeting the eligibility requirements shall receive 1/2 their final average salary. For service greater than 20 years, the allowance will increase 1% of the final average salary per year of additional service up to a maximum of 60% of final average salary. Post-retirement benefits is the amount needed to provide 50% of the base salary of a newly confirmed police officer. Rights are vested after ten years of service.

FURS - Firefighters' Unified Retirement System - This system, established in 1981 and governed by Title 19, Chapter 13 of the Montana Code Annotated, provides retirement services for all paid firefighters. Member contribution is 6% of base compensation, and city contributions are 13.02% of total annual compensation. The State contribution is 23.27% of total annual compensation for all firefighters and is paid out of the insurance premium tax fund. Minimum age is 50 and minimum service is 20 years for benefit eligibility. For members hired prior to July 1, 1981, with at least 20 years of service, the monthly service retirement benefit is equal to 1/2 of the final monthly compensation received plus an additional 1% for each year in excess of 20 years, up to a maximum benefit of 60% of final monthly compensation. Members hired on or after July 1, 1981, shall receive a service retirement allowance equal to 2% of final average salary for each year of service up to a maximum of 30 years of service. Post-retirement benefits require that each retiree receive at least 50% of the salary paid a newly confirmed active firefighter. Rights are vested after ten years of service.

VFRS - Volunteer Firefighters' Retirement System - This system, established in 1965 and governed by Title 19, Chapter 12 of the Montana Code Annotated, provides medical benefits and retirement, disability and death benefits for all volunteer firefighters of unincorporated areas. The State contribution is 5% of fire insurance premium taxes collected. This retirement system is required by law to be fully funded and cannot pay benefits unless money is available. Rights are vested after 20 years of service.

(4) State as Administrator - Nonemployer, Noncontributor

SRS - Sheriffs' Retirement System - This system, established in 1974 and governed by Title 19, Chapter 7 of the Montana Code Annotated, covers all persons employed as sheriffs. The member contribution is 7% of salary; the county contribution is 7.67% of salary. Minimum years of service for benefit eligibility are 24 for members elected or appointed prior to July 1, 1989. For members elected or appointed on or after July 1, 1989, the minimum years of service are 24 and the minimum age is 50. The service retirement allowance is calculated at 2.0834% of the final average salary for each year of creditable service, up to a maximum of 50% of final salary, plus 1.35% of the final average salary for each year of service in excess of 24 years, up to a maximum of 60% of final salary. Reduced benefits for early retirement may be taken with a minimum 15 years of service and minimum age of 50. Rights are vested after ten years of service.

C. Actuarial Data

Actuarial valuations are performed every two years excluding the VFRS. Data for the VFRS is not readily available for an actuarial valuation. The Public Employees' Retirement Division which administers the VFRS is currently in the process of developing a database to provide the necessary data for an actuarial valuation. Hendrickson, Miller & Associates Inc., Helena, MT, prepared the actuary reports for the other retirement systems, excluding TRS, and is responsible for completing the actuarial valuation for the VFRS. Milliman & Robertson, Inc., of Seattle, WA., performed the actuarial valuation for TRS. The following table discloses various information by retirement system (dollar amounts expressed in thousands) as of June 30, 1992. Although specific total payroll amounts are not available, substantially all of total payroll is covered.

	<u>HPORS</u>	<u>JRS</u>	<u>GWRS</u>	<u>PERS</u>	<u>TRS</u>	<u>MPORS</u>	<u>FURS</u>	<u>SRS</u>	<u>VFRS</u>
Membership									
Receiving Benefits	201	31	61	10,734	6,926	436	401	99	561
Vested Term. Employee	6	4	-	1,035	6,064	5	11	16	N/A
Non-vested Term. Employee	3	-	3	4,703	-	12	15	66	N/A
Vested Active Employees	131	29	52	17,857	10,720	213	248	287	N/A
Non-vested Active Employees	72	14	35	9,616	5,917	240	172	234	N/A
Total	<u>413</u>	<u>78</u>	<u>151</u>	<u>43,945</u>	<u>29,627</u>	<u>906</u>	<u>847</u>	<u>702</u>	<u>561</u>

	<u>HPORS</u>	<u>JRS</u>	<u>GWRS</u>	<u>PERS</u>	<u>TRS</u>	<u>MPORS</u>	<u>FURS</u>	<u>SRS</u>	<u>VFRS</u>
<u>Plan Descriptions</u>									
Total Covered Payroll	\$ 5,575	\$ 2,686	\$ 2,466	\$529,126	\$425,126	\$11,403	\$10,883	\$13,688	N/A
State Covered Payroll	\$ 5,575	\$ 2,686	\$ 2,466	\$230,491	\$ 69,161	N/A	N/A	N/A	N/A
<u>Related Party Disclosures</u>									
Related Parties	NONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE	N/A
	<u>HPORS</u>	<u>JRS</u>	<u>GWRS</u>	<u>PERS</u>	<u>TRS</u>	<u>TOTAL</u>			
<u>Funding Status & Progress</u>									
Last Actuarial Valuation	7/01/92	7/01/92	7/01/92	7/01/92	7/01/92				
Return on Investments	8.0%	8.0%	8.0%	8.0%	8.0%				
Projected Salary Increases:									
Inflation	6.5%	6.5%	6.5%	6.5%	6.5%				
Merit	NONE	NONE	NONE	NONE	NONE				
Changes In Post-retirement	6.5%	6.5%	NONE	NONE	NONE				
PBO (1):									
Retirees,beneficiaries (2)	\$30,907	\$11,171	\$ 7,331	\$ 541,509	\$ 622,016	\$1,212,934			
Current Employees (3)	6,250	1,812	3,087	341,300	407,441	759,890			
Employer-financed vested	18,864	8,353	3,500	385,926	400,122	816,765			
Employer-financed non-vested	1,004	1,174	298	25,937	19,903	48,316			
Total PBO	\$57,025	\$22,510	\$14,216	\$1,294,672	\$1,449,482	\$2,837,905			
Net Assets Available for Benefits at Cost*	\$31,167	\$15,929	\$12,608	\$1,007,757	\$ 839,120	\$1,906,581			
Unfunded PBO	\$25,858	\$ 6,581	\$ 1,608	\$ 286,915	\$ 610,362	\$ 931,324			
*At Market Value	\$35,289	\$18,224	\$14,630	\$1,186,941	\$ 992,146	\$2,247,230			
	<u>MPORS</u>	<u>FURS</u>	<u>SRS</u>	<u>VFRS</u>					
<u>Funding Status & Progress</u>									
Last Actuarial Valuation	7/01/92	7/01/92	7/01/92	(12)					
Return on Investments	8.0%	8.0%	8.0%	(12)					
Projected Salary Increases:									
Inflation	6.5%	6.5%	6.5%	(12)					
Merit	NONE	NONE	NONE	(12)					
Changes In Post-retirement	6.5%	6.5%	NONE	(12)					
PBO (1):									
Retirees,beneficiaries (2)	\$42,809	\$ 49,307	\$ 8,694	(12)					
Current Employees (3)	9,161	9,819	9,817	(12)					
Employer-financed vested	21,917	38,503	11,849	(12)					
Employer-financed non-vested	4,237	3,977	2,272	(12)					
Total PBO	\$78,124	\$101,606	\$32,632	(12)					
Net Assets Available for Benefits at Cost*	\$41,303	\$42,258	\$41,278	\$8,200					
Unfunded PBO	\$36,821	\$59,348		(12)					
Assets in Excess of PBO			\$ 8,646						
*At Market Value	\$45,893	\$45,887	\$46,158	\$8,819					
<u>Contributions Required (R) by Statute/Actual (A) Contributions (4) (Statute Req. is Actuarially Determined)</u>									
	<u>HPORS</u>	<u>JRS</u>	<u>GWRS</u>	<u>PERS</u>	<u>TRS</u>	<u>MPORS</u>	<u>FURS</u>	<u>SRS</u>	<u>VFRS</u>
Total Contributions	\$ 2,808	\$ 901	\$ 686	\$71,470	\$71,956	\$ 5,704	\$ 5,717	\$ 2,196	N/A
Normal Cost	1,523	1,105	396	56,131	37,526	2,663	2,319	2,008	N/A
% Of Covered Payroll	27.32%	41.14%	16.06%	10.24%	8.83%	23.35%	21.31%	14.67%	N/A
Amort Unfunded Liab	1,285	-	290	15,339	34,430	3,041	3,398	188	N/A
% of Covered Payroll	23.05%	-	11.76%	2.80%	8.10%	26.67%	31.22%	1.37%	N/A
Years Req. to Fund Normal Cost & Amortize Unfunded Liab.									
	28.80	27.32	4.06	18.25	34.9	24.71	30.36	0.0	(12)

		HPORS	JRS	GWRS	PERS	TRS	MPORS	FURS	SRS	VFRS
Employer Contributions (A)		\$ 2,158	\$ 712	\$ 457	\$33,954	\$35,846	\$ 1,597	\$ 1,444	\$ 1,089	(12)
% of Covered Payroll (A)		38.71%	26.5%	18.53%	6.417%	8.432%	14.01%	13.27%	7.96%	(12)
% of Covered Payroll (R)		36.28%	6.0%	7.15%	6.417%	7.459%	13.92%	13.02%	7.67%	(12)
		(5)	(6)	(7)						
State Contributions (A)		\$ 2,158	\$ 712	\$ 457	\$14,685	\$ 5,164	N/A	N/A	N/A	N/A
% of Employer Cont. (A)		100%	100%	100%	43.3%	14.4%	N/A	N/A	N/A	N/A
Employee Contributions (A)		\$ 595	\$ 174	\$ 211	\$36,137	\$34,677	\$ 905	\$ 668	\$ 1,089	(12)
% of Covered Payroll (A)		10.7%	6.5%	8.6%	6.593%	8.157%	7.94%	6.1%	7.96%	(12)
% of Covered Payroll (R)		9.0%	6.0%	7.9%	6.417%	7.044%	(9)	6.0%	7.0 %	(12)
		(8)								
Other Contributions(13) (A)		\$ 55	\$ 15	\$ 18	\$ 1,379	\$ 1,433	\$ 3,202	\$ 3,605	\$ 18	\$ 631
% of Covered Payroll (A)		.99%	.56%	.73%	.26%	.34%	28.08%	33.13%	.13%	(12)
% of Covered Payroll (R)		-	-	-	-	-	(10)	(11)	-	(12)

- (1) The amounts shown as the PBO ("Pension Benefit Obligation") are standardized disclosure measures of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the systems. The significant actuarial assumptions used in the annual evaluations are the assumptions used in the PBO determination.
- (2) Retirees, beneficiaries receiving benefits and terminated employees not yet receiving benefits.
- (3) Current employees - accumulated employee contributions including allocated investment earnings.
- (4) Actual percentages exceed required percentages (unless otherwise footnoted) because contributions include amounts for buybacks.
- (5) The employer's contributions include fees from drivers' licenses and vehicle registrations.
- (6) The employer also contributes District Court Fees equal to 34.71% of covered payroll and 25% of Supreme Court Fees. However, during the year ending June 30, 1992, actual contributions did not cover the year's normal cost.
- (7) The employer's contribution includes all collections from fines and forfeited bonds related to fish and game law violations.
- (8) For members elected or appointed after July 1, 1983, the contribution rate is 7% of salary.
- (9) Members employed before July 1, 1975, contribute 6.0% of salary; members employed on or after July 1, 1975, and prior to July 1, 1979 contribute 7.2% of salary; members employed on or after July 1, 1979 contribute 8.7% of salary.
- (10) The \$3,202,000 contribution by the State equals 15.66% of active policemen's salaries and is contributed from a premium tax on motor vehicle property and casualty insurance policies. It includes \$1,214,965 for post-retirement benefits for members retired before July 1, 1985. The State's contribution is 66.7% of total Employer and Other contributions.
- (11) The \$3,605,000 contribution by the State equals 23.27% of total firefighters' compensation and is contributed from a premium tax on insurance risks. It includes \$1,008,872 for postretirement benefits for retirees members. The State's contribution is 71.4% of total Employer and Other contributions.
- (12) This retirement plan is in the process of being actuarially valued. The State contributes 5% of fire insurance premium taxes collected.
- (13) Other contributions include a retirement adjustment payment from the State's General Fund for retirees of State, Local and Teacher retirement systems who are Montana residents.

D. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Available 10-year trend information for HPRS, JRS, GWRS, PERS, TRS, MPORS, FURS, and SRS are found in the annual reports for these retirement systems.

REQUIRED SUPPLEMENTARY INFORMATION Analysis of Funding Progress

		HPORS	JRS	GWRS	PERS	TRS	MPORS	FURS	SRS
Net Assets Available for Benefits									
Expressed as a % of PBO									
(Percentage Funded)	1990...	56.1%	71.7%	83.9%	76.9%	57.1%	49.4%	37.4%	138.6%
	1991...	53.2%	69.5%	86.9%	78.3%	57.7%	49.6%	40.8%	137.2%
	1992...	54.7%	70.8%	88.7%	77.8%	57.9%	52.9%	41.6%	126.5%
Unfunded PBO, Expressed as a									
% of Annual Covered Payroll	1990...	387.1%	231.8%	92.3%	53.1%	130.6%	345.1%	573.1%	N/A
	1991...	456.7%	274.1%	72.8%	52.4%	125.2%	324.1%	521.0%	N/A
	1992...	463.8%	245.0%	65.2%	54.2%	143.6%	322.9%	545.3%	N/A

	<u>HPORS</u>	<u>JRS</u>	<u>GURS</u>	<u>PERS</u>	<u>TRS</u>	<u>MPORS</u>	<u>FURS</u>	<u>SRS</u>
Employer Contributions Expressed as a % of Annual Covered Payroll								
1990...	32.9%	30.8%	20.7%	6.417%	7.802%	13.02%	13.05%	8.10%
1991...	31.09%	30.1%	19.52%	6.434%	7.495%	13.03%	13.03%	7.81%
1992...	38.71%	26.5%	18.53%	6.417%	8.432%	14.01%	13.27%	7.96%

7. SELF-INSURANCE FUNDS

The State of Montana maintains several self-insurance plans. A brief description of each plan and the method of recording transactions are discussed below:

A. Group Employee Comprehensive Medical and Dental Plan - This plan is fully self-insured, with the State assuming all the risk for claims incurred by employees of the State, elected officials, retirees and their dependents. There is no third party coverage. Premiums are collected through payroll deductions, deductions through the Public Employees' Retirement System and self-payment and are recorded as revenue in the Employees' Group Benefits Enterprise Fund.

In July 1992, incurred but not reported claims were estimated to be \$5,985,340 based on a formula provided by Martin E. Segal Company, a consulting actuarial firm. A liability is recorded in the accompanying financial statements for these estimated claims.

Postemployment Benefits - In addition to the pension benefits described in Note 6, Retirement Systems, the State provides 18 to 36 months optional postemployment healthcare benefits in accordance with Public Law 99-272, known as the Federal Consolidated Omnibus Reconciliation Act (COBRA) to the following employees and dependents who elect to continue and pay administratively established premiums: (1) employees who are receiving employee healthcare benefits at the time they discontinue State employment, and (2) dependents who lose dependent eligibility. Currently 144 individuals are receiving these benefits.

In accordance with State statute 2-18-704 MCA, the State also provides optional postemployment healthcare benefits to the following employees and dependents who elect to continue coverage and pay administratively established premiums: (1) employees who retire under applicable retirement provisions and (2) surviving dependents of deceased employees. Retirement eligibility criteria differ by retirement system (See Note 6). Administratively established premiums vary between \$84 and \$224 per month depending on coverage ranging from retirees only to retirees, spouses, and children, Medicare or non-Medicare eligible. The State acts as secondary payor for Medicare-eligible claimants. Currently 2,237 retirees are receiving healthcare benefits.

After an annual \$200 deductible, the State reimburses 75% of the first \$3,000 in validated medical claims and 100% of any remaining validated claims in the year. Dental claims are reimbursed at 50% to 100% depending on the services provided. The State funds claims on a pay-as-you-go basis. During the fiscal year, expenditures of \$6,419,731 were recognized for postemployment healthcare benefits. Of this amount, \$4,246,385 was covered by former employees' premium contributions and \$2,173,346 of claims in excess of premium revenue was paid by the State.

B. Montana University System (MUS) Group Benefits Plan - This plan was authorized by the Regents to provide medical, dental, and vision insurance coverage to employees of the Montana University System, as well as their dependents, retirees, and COBRA members. The MUS Group Benefits Plan is fully self-insured with a stop loss underwritten by United of Omaha at 125% of expected claims. United of Omaha is the claims administrator on the plan. Managed Care Montana (Blue Cross/Blue Shield of Montana) has a contract for utilization management. The utilization management program consists of hospital pre-authorization, case management and medical necessity review. Premiums are collected from employees through payroll deductions and recorded in the MUS Group Insurance Enterprise Fund.

The self-insured plan is reinsured at 125% of expected claims. The incurred but not reported claims are estimated to be \$3,200,000 as of June 30, 1992. A liability is recorded in the accompanying financial statements for these estimated claims.

Postemployment Benefits - In addition to the pension benefits described in Note 6, Retirement Systems, the Montana University System (MUS), under State statute 2-18-702 MCA, provides postretirement health insurance benefits. Eligible employees must receive a retirement benefit from the Teachers Retirement System (TRS), Public Employees Retirement System (PERS), or an annuity under the Optional Retirement Plan. Spouses, unmarried dependent children, and surviving spouses are also eligible.

Administratively established premiums vary between \$109 and \$303 per month and are revised annually. Medicare eligible plan members are assumed to be Medicare-insured. After an annual \$250 deductible, MUS reimburses 80% of the first \$3,000 in medical claims in excess of \$600 and 100% thereafter. The plan automatically reduces claim reimbursement for members eligible for Medicare even if not enrolled in Medicare. Currently 1,012 retirees are enrolled in the MUS plan.

Funding for the retiree health plan is on a pay-as-you-go basis. During the fiscal year, expenditures of \$2,255,823 were recognized for postemployment healthcare benefits. Of this amount, \$1,659,600, was covered by former employees' premium contributions and \$596,223 of claims in excess of premium revenue was paid by the State.

C. Property Insurance Plans - This self-insurance plan provides coverage for general liability, automobile liability, automobile physical damage, retail liquor stores inventory and State-administered foreclosure housing units. The State self-insures the \$150,000 deductible per occurrence for property insurance. The third party pays the next \$50 million per occurrence. Premiums are collected from all State agencies including Higher Education Units and recorded as revenue in the Administration Insurance Internal Service Fund.

Based on the most recent actuarial report, prepared by Tillinghast and issued for the accident period 7/1/82 - 6/30/92, a liability of \$15,102,203 is recorded in the accompanying financial statements for estimated claims including those incurred but not reported.

8. DEFERRED COMPENSATION PLAN

Since 1976, the State of Montana has offered a deferred compensation plan which allows employees to set aside a portion of their salary each payday towards retirement while deferring the State and Federal income taxes until future years. The payroll deferrals are invested with Nationwide Insurance. All employees of the State are eligible to participate. The plan operates under the sanction of both State and Federal laws (Section 457 of the Internal Revenue Code). The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted to the provisions of benefits under the plan), subject only to the claims of the State's general creditors. In the past, the plan assets have been used for no purpose other than to pay benefits. The State believes it is unlikely it will use the assets to satisfy the claims of general creditors in the future because of the contractual arrangement with Nationwide Insurance and the State's obligation to participants for their account balance. State statute provides that the State and its political subdivisions are not liable for any investment losses incurred by any eligible deferred compensation plan. However, the State does have the duty of care required of an ordinary prudent investor. As of June 30, 1992, the net assets of the plan available for benefits totaled \$79.741 million.

The following table provides a summary of the increases and decreases of the Employees Deferred Compensation Agency Fund for the fiscal year ended June 30, 1992, (in thousands):

Fund Assets (at market value), July 1, 1991	\$ 70,674
Deferrals of compensation	7,165
Earnings and adjustment to market value	6,500
Payments to eligible participants and beneficiaries	(4,273)
Administrative expenses	(325)
Fund Assets (at market value), June 30, 1992	<u>\$ 79,741</u>

9. UNEMPLOYMENT INSURANCE COMPENSATION

Unemployment compensation benefits are funded in the State through unemployment insurance taxes levied against employers. The funds collected from this tax are deposited in the Unemployment Insurance Clearing Account and transferred daily to a trust fund in Washington, D.C. The United States Secretary of the Treasury is the trustee of this fund. The moneys are then transferred back to the State's Benefit Payment Account for disbursement as unemployment insurance benefits. Transfers are made daily at the request of the Montana Department of Labor and Industry. The benefits are accounted for in an Expendable Trust Fund. As of June 30, 1992, the State's trust fund had an unreserved fund balance of \$86.557 million.

10. RISK MANAGEMENT--PUBLIC ENTITY RISK POOLS

The State of Montana has five public entity risk pools that are properly reported within the Enterprise Fund Type: State Compensation Mutual Insurance (New Fund), State Compensation Mutual Insurance (Old Fund), Hail Insurance, Uninsured Employers', and Subsequent Injury Funds. In all of these funds there are no significant reductions in insurance coverage from the prior year, nor any insurance settlements exceeding insurance coverage. None of these funds have acquisition costs; therefore, no cost is amortized for the period. Unpaid claims and claim adjustment expenses are estimated based on the ultimate cost of settling the claims including the effects of inflation and other societal/economic factors. These funds use the accrual basis of accounting. By statute, these funds cannot invest in common stock. Investments are recorded at amortized cost. Premiums and discounts are amortized using the straight-line method over the life of the securities.

A. State Compensation Mutual Insurance (New Fund) - Liability coverage to employers for injured employees that are insured under the Workers' Compensation and Occupational Disease Acts of Montana and workers' compensation claims occurring on or after July 1, 1990, are reported in the State Compensation Mutual Insurance Fund (State Fund-New). The State Fund-New must insure any employer who desires coverage. At fiscal year-end, approximately 26,700 employers were insured with the State Fund-New. Montana state governmental agencies must obtain their workers' compensation coverage through the State Fund-New. Anticipated investment income is considered for computing a premium deficiency and employers must pay premiums to the State Fund within specified timeframes.

An actuarial study prepared by Tillinghast, a Towers Perrin company, as of June 30, 1992, has estimated liabilities and the ultimate cost of settling claims that have been reported but not settled and claims that have been incurred but not reported. Because actual claim costs depend on such complex factors as inflation and changes in the law, claim liabilities are recomputed periodically using a variety of actuarial and

statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and societal factors.

A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. At June 30, 1992, \$291,401,535 of unpaid claims and claim adjustment expenses are presented at their net present value of \$211,994,569. These claims are discounted at an annual rate of 7% (See Notes 15 and 17).

The State Fund uses reinsurance agreements to reduce its exposure to large losses. Reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the Fund as direct insurer. The State Fund did not deduct any claim liabilities related to potential reinsurance recoverable. When the State Fund purchases annuity contracts, the claim is settled in full and on a final basis; all liability of the State Fund-New is terminated.

Statute requires the State Fund-New set premiums at least annually at a level sufficient to ensure adequate funding of the insurance program during the period the rates will be in effect. A district court decision in response to a lawsuit filed on June 21, 1991, by the Montana Health Care Association, Discovery Care Center and Valley Nursing, Inc., upheld the State Compensation Mutual Insurance fund's fiscal year 1992 premium rate increase.

B. State Compensation Mutual Insurance (Old Fund) - The liability and payment of workers' compensation claims for incidents occurring before July 1, 1990, are reported in the State Compensation Mutual Insurance Fund (State Fund-Old). This Fund is prohibited by statute from paying dividends until its unfunded liability has been eliminated. There is no premium income; however, funding for claim payments is provided by a 0.28 % payroll tax on all Montana employers. Payroll tax bonds in the amount of \$142,095,000 were issued July 15, 1991, to provide the necessary operating cash to pay the liabilities of pre-July 1, 1990, accidents (See Note 13.E(3)). This source of funding is expected to be exhausted in January 1993. The employer payroll tax will provide funding for bond payments. An actuarial study prepared by Tillinghast, a Towers Perrin company, as of June 30, 1992, was used to estimate liabilities and the ultimate cost of settling claims that have been reported but not settled and claims that have been incurred but not reported. At June 30, 1992, \$406,718,552 of unpaid claims and claim adjustment expenses are presented at face value. This fund generates little interest earnings, does not discount estimated claims liabilities, and does not compute a premium deficiency (See Notes 15 and 17).

A class action suit was filed before the Workers' Compensation Court in Murer, et al. v. Montana State Compensation Mutual Insurance Fund, et al. which attempts to have the Court rule that a freeze on workers' compensation benefits in place in fiscal years 1988 through 1991 should no longer apply once the date of the freeze expired. The State Fund's position is that the law in existence at the time of the injury applies for the life of the claim. The case was rejected by the Workers' Compensation Court as a class action. The decision has been appealed to the Montana Supreme Court. It is reasonably possible the State Fund will incur an unfavorable outcome in this matter. The amount of loss at this time is estimated to be approximately \$11,000,000. Only a portion of this amount impacts the New Fund.

C. Hail Insurance - Any producer engaged in growing crops subject to destruction or damage by hail may participate in the hail insurance program. Approximately 2,600 producers participated in this program in 1991 and 1992. This fund accounts for premium assessments paid by producers for crop acreage insured, investment and interest earnings, administrative costs and claims paid for hail damage. Depending upon the actuarial soundness of the reserve fund and the damage in a season, producers may receive a refund. Anticipated investment income is considered in computing a premium deficiency of which there is none.

A claim must be submitted to the State Board of Hail Insurance within fourteen days of a loss occurrence. It must be indicated whether the grain is stemming, in the boot, heading out, in the milk, in the stiff dough, ready to bind, or combine. If bean, peas or other crops are damaged, the growth-stage must also be indicated. Inspection of a crop will occur as promptly as possible after claim receipt and no later than September 30. The insurance only covers loss or damage to growing grain which exceeds 5% destruction by hail.

The fund recorded a liability of \$3,691 based on claims submitted for losses through June 30, 1992. Any crop insurance liability is paid to producers within one year of occurrence; therefore, liabilities are not discounted. The fund is protected through a reserve fund balance and has no excess insurance, reinsurance, or annuity contracts.

D. Uninsured Employers' - This fund provides benefits to claimants injured while working for uninsured employers and is funded by penalties collected from employers without workers' compensation insurance. Section 39-71-503(2) of the Montana Code Annotated prohibits the fund from maintaining surpluses and reserves. Claims are paid on a monthly, first-in, first-out basis with wage loss benefits paid first, and medical benefits paid next, but only if sufficient funds are available. There is no premium deficiency and/or limitations on revenue collected or benefits that can be paid. Claims that are denied for payment because of insufficient cash may not be resubmitted; therefore, there are no incurred but not reported claims liability. Also, there are no annuities purchased nor excess insurance or reinsurance.

E. Subsequent Injury - This fund provides benefits to workers certified as vocationally handicapped who are injured on the job and entitled to benefits under the Workers' Compensation or Occupational Disease Act at the time of injury. The liability of the insurer for payment of compensation benefits is limited to 104 weeks of benefits actually paid. This fund will reimburse the insurer for all benefits paid after this 104 week time period. In Montana, there are 1,471 individuals certified as vocationally handicapped.

Workers' compensation insurance premium experience modification factors are influenced by the 2 year limitation and employers may experience an insurance premium reduction. Therefore, this fund provides employers with a potential incentive for hiring the certified vocationally handicapped.

This fund makes no provision for insured events of the current year. All Montana insurers are annually assessed an amount of up to 5% of each insurer's compensation payments for the previous fiscal year. An estimated liability is recorded based on a projected cost (case-by-case) analysis of each injured, certified, vocationally handicapped worker. As of June 30, 1992 the amount of this liability is estimated to be \$1,222,000.

F. Changes in Claims Liabilities For the Past Two Years - As indicated above, these funds establish liabilities for both reported and unreported insured events including estimates of future payments of losses and related claim adjustment expenses. The following tables present changes (in thousands) in those aggregate liabilities during the past two years. All information in these tables is presented at face value and has not been discounted.

	STATE COMPENSATION MUTUAL INSURANCE (NEW FUND)		STATE COMPENSATION MUTUAL INSURANCE (OLD FUND)		HAIL INSURANCE	
	1992	1991	1992	1991	1992	1991
Unpaid claims and claim adjustment expenses at beginning of year	\$119,619	\$ -	\$433,454	\$294,464	\$1,623	\$ 770
Incurred claims and claim adjustment expenses:						
Provision for insured events of the current year	187,976	137,237	-	-	1,604	4,545
Increases in provision for insured events of prior years	34,259	-	43,260	241,982	(483)	-
Total incurred claims and claim adjustment expenses	222,235	137,237	43,260	241,982	1,121	4,545
Payments:						
Claims and claim adjustment expenses attributable to insured events of the current year	(21,478)	(17,618)	-	-	(1,600)	(2,922)
Claims and claim adjustment expenses attributable to insured events of prior years	(28,974)	-	(69,995)	(102,992)	(1,140)	(770)
Total payment	(50,452)	(17,618)	(69,995)	(102,992)	(2,740)	(3,692)
Total unpaid claims and claim adjustment expenses at end of the year	\$291,402	\$119,619	\$406,719	\$433,454	\$ 4	\$1,623
	UNINSURED EMPLOYERS'		SUBSEQUENT INJURY			
	1992	1991	1992	1991		
Unpaid claims and claim adjustment expenses at beginning of year	\$ -	\$ -	\$ 633	\$ 966		
Incurred claims and claim adjustment expenses:						
Provision for insured events of the current year	191	182	-	-		
Increases in provision for insured events of prior years	274	130	1,090	98		
Total incurred claims and claim adjustment expenses	465	312	1,090	98		
Payments:						
Claims and claim adjustment expenses attributable to insured events of the current year	(191)	(182)	-	-		
Claims and claim adjustment expenses attributable to insured events of prior years	(274)	(130)	(501)	(431)		
Total payment	(465)	(312)	(501)	(431)		
Total unpaid claims and claim adjust. exp. at end of the year	\$ -	\$ -	\$ 1,222	\$ 633		

G. Risk Management Trend Information

The following table only presents risk management trend information for the State Compensation Mutual Insurance (New Fund). Only the State Fund-New has a three to five year development cycle as was contemplated by GASB Statement 10. The State Compensation Mutual Insurance (Old Fund) does not charge a premium for its services; its funding source is the employer payroll tax. The Hail Insurance Fund pays claims within a calendar year cycle that parallels the growing season from spring planting to fall harvesting; therefore, it has no three to five year development cycle. State statute limits the payment of claims and the collection of premiums (and penalties) for the Subsequent Injury and Uninsured Employers' Fund from any developmental cycle.

The table below illustrates how the earned revenues (net of reinsurance) of the State Fund-New and its investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the fund as of the end of the fiscal year (in thousands). Line 3 shows the fund's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). Section 4 shows the cumulative amounts paid as of the end of successive years for each policy year. Section 5 shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known. Line 6 compares the latest reestimated incurred claims amount to the amount originally established (Line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years. This table will be expanded and revised as data for successive policy years develops.

	STATE COMPENSATION MUTUAL INSURANCE (NEW FUND)	
	1991	1992
1. Net earned required contribution and investment revenues	\$ 108,465	\$129,500
2. Unallocated expenses including overhead	7,360	6,920
3. Estimated incurred claims and expenses, end of policy year	137,237	183,425
4. Paid (cumulative) as of:		
End of policy year	17,618	20,244
One year later	44,335	
5. Reestimated incurred claims and expense:		
End of policy year	137,237	183,425
One year later	166,980	
6. Increase (decrease) in estimated incurred claims and expense from end of policy year	29,743	

11. COMMITMENTS

A. Highway Construction - At June 30, 1992, the Department of Transportation had contractual commitments of approximately \$107.9 million for construction of various highway projects. Funding for these highway projects is to be provided from federal grants and matching special revenue funds.

B. Capital Construction - At June 30, 1992, the Department of Administration, Architecture & Engineering Division, had commitments of approximately \$15.1 million for capital projects construction. Funding for these projects is to be provided from special revenue funds, capital projects funds, proprietary funds and higher education funds.

C. Proprietary Fund Commitments - Fixed budgets are legally adopted in Enterprise and Internal Service Funds (excluding depreciation, compensated absences and bad debt expense). Current year appropriations may be committed for goods/services that are not received as of fiscal year-end. These executory commitments are included in unreserved retained earnings in the accompanying financial statements as follows (in thousands):

	AMOUNT
<u>Enterprise Funds</u>	
Housing Authority	\$ 25
State Compensation Mutual Insurance (New Fund)	105
Employees Group Benefits	48
Prison Ranch	12
Uninsured Employers	7
Prison Industries	3
Historical Society Publications	12
Local Government Audits	1
Subtotal-Enterprise Funds	\$ 213

<u>Internal Service Funds</u>	
Highway Equipment	\$ 12,504
ISD	202
Admin. Insurance	1
Motor Pool	2
Admin. Property & Supply	545
Publications & Graphics	86
Buildings & Grounds	162
Labor Central Services	46
Commerce Central Services	42
DHES Indirect Cost Pool	7
FWP Warehouse Inventory	8
Investment Division	1
Aircraft Operation	8
Personnel Training	2
Subtotal-Internal Service Funds	<u>\$ 13,616</u>
Total-Proprietary Funds	<u>\$ 13,829</u>

12. LEASES/INSTALLMENT PURCHASES

The State has entered into various capital and operating leases for land, buildings, equipment and computer software. Lease contracts are required by law to contain a clause indicating continuation of the lease is subject to funding by the Legislature. It is expected that in the normal course of operations most of these leases will be replaced by similar leases.

A. Capital Leases/Installment Purchases

Changes in capitalized leases/installment purchases follow (in thousands):

	<u>Balance July 1, 1991</u>	<u>Additions (Deductions)</u>	<u>Balance June 30, 1992</u>
General Long-Term Obligations	\$ 2,338	\$ 382(1)	\$ 2,720
Proprietary Fund Types			
Enterprise Fund	\$ 2	\$ -	\$ 2
Internal Service Fund	<u>5,796</u>	<u>(909)</u>	<u>4,887</u>
Total Proprietary	\$ 5,798	\$ (909)	\$ 4,889
Higher Education Funds	\$ 2,552	\$1,228	\$ 3,780
Total Capitalized Leases/ Installment Purchases	<u>\$ 10,688</u>	<u>\$ 701</u>	<u>\$ 11,389</u>

(1) This amount consists of \$1,285,000 as additions; \$448,000 of additions as adjustments; and \$1,351,000 as deductions.

Future minimum lease payments under capital leases/installment purchases are as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>General Long-Term Obligations</u>	<u>Proprietary Fund Types</u>		<u>Higher Education Funds</u>	<u>Totals</u>
		<u>Enterprise</u>	<u>Internal Service</u>		
1993	\$ 903	\$ 1	\$ 2,819	\$1,093	\$ 4,816
1994	871	1	1,272	1,070	3,214
1995	677	-	646	1,145	2,468
1996	569	-	429	949	1,947
1997	230	-	170	290	690
After 1997	<u>-</u>	<u>-</u>	<u>57</u>	<u>22</u>	<u>79</u>
Total minimum payments	\$ 3,250	\$ 2	\$ 5,393	\$4,569	\$ 13,214
Less: Interest	<u>(530)</u>	<u>-</u>	<u>(506)</u>	<u>(789)</u>	<u>(1,825)</u>
Present value of minimum payments	<u>\$ 2,720</u>	<u>\$ 2</u>	<u>\$ 4,887</u>	<u>\$3,780</u>	<u>\$ 11,389</u>

B. Operating Leases - Total rental payments for operating leases in fiscal year 1991 were \$4,382,968. Future rental payments for operating leases are as follows (in thousands):

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Amount</u>
1993	\$ 4,405
1994	2,598
1995	1,914
1996	1,401
1997	1,209
After 1997	<u>4,092</u>
Total future rental payments	<u>\$15,619</u>

13. STATE DEBT

A. General Information - The State has no constitutional limit on its power to issue obligations or incur debt other than a provision that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenues. The Board of Examiners (consisting of the Governor, Secretary of State and Attorney General) is authorized, pursuant to various enabling acts, to issue bonds and notes of the State.

B. Short-Term Debt - The Board of Examiners, upon recommendation of the Department of Administration, may issue notes in anticipation of the receipt of taxes and revenues. No notes may be issued to refund outstanding notes. The notes must be redeemed by the end of the fiscal year in which issued.

The Board of Investments (BOI) of the State of Montana is authorized to issue Municipal Finance Consolidation Act Bonds which may not aggregate more than \$50 million. The purpose of the bonds is to provide funds for the BOI to make loans to eligible local government units. The bonds are not in any way a debt or liability of the State of Montana. The bonds are limited obligations of the BOI payable solely from repayments of principal and interest on loans made by the BOI to participating local government units, investment income under the indenture and an irrevocable pledge by the BOI. The BOI has no taxing power. Bondholders may elect to have their bonds purchased by the Trustee on March 1 of each year until maturity. These issues are considered to be demand bonds and have been reclassified as short-term debt. In previous years these issues were included in the long-term debt section for Economic Development & Municipal Finance Consolidation Act Bonds. The amounts issued and outstanding at June 30, 1992 is as follows (in thousands):

<u>Series</u>	<u>Amount</u> <u>Issued</u>	<u>Balance</u> <u>June 30, 1992</u>
1987	\$6,500	\$1,920
1988	5,000	3,010
1991	5,000	4,945
1992	6,500	6,500

C. Long-Term Debt - The full faith, credit and taxing powers of the State are pledged for the payment of all general obligation debt. Revenue bonds and mortgage bonds are secured by a pledge of resources from the facilities to which they relate and by certain other revenues, fees and assets of the State and the various colleges and universities. Long-term debt (excluding bonds/notes of Enterprise Funds discussed elsewhere in this footnote; Leases - Note 12; and Compensated Absences - Note 1) of the State at June 30, 1992, is as follows (in thousands):

<u>General Obligation Debt</u>	<u>Series</u>	<u>Amount</u> <u>Issued</u>	<u>Interest</u> <u>Range (%)</u>	<u>Principal Payments</u>		<u>Balance</u> <u>June 30, 1992</u>
				<u>FY 1993</u>	<u>In Year of</u> <u>Maturity (Y)</u>	
Highway Bldg Complex	1976	\$ 7,400	5.0	\$ 505	\$ 600 (1996)	\$ 2,205
GO Refunding	1983A	58,160	8.875-9.5	8,100	590 (2010)	46,435
Long-Range Bldg Program	1983B	39,330	7.75-8.0	165	195 (1995)	540
Water Development Program (1)	1984A	900	8.4-8.90	150	150 (1996)	600
Long-Range Bldg Program	1985A	8,550	7.0-8.0	300	150 (2001)	2,000
Water Development Program (1)	1985B	1,000	7.0-7.6	125	175 (1996)	625
Renewable Resource Development (1)	1985C	1,100	7.0-7.6	150	200 (1996)	725
Water Development Program (1)	1985D	1,000	6.65-6.875	100	125 (1996)	475
Water Development Program (1)	1988	500	9.4	15	50 (2008)	465
Water Development Program (1)	1989B	500	8.55	10	50 (2010)	480
Long-Range Bldg Program	1989	3,540	6.25	705	795 (1995)	2,245
Water Development Program (1)	1991A	750	8.0-8.5	25	90 (2007)	750
Wastewater Treatment Works (2)	1991B	<u>2,595</u>	5.0-6.8	-	215 (2014)	<u>2,595</u>
Total General Obligation Debt		<u>\$125,325</u>		<u>\$10,350</u>		<u>\$ 60,140</u>

Special Revenue Bonds

Department of Highways (3)	1987	\$150,000	5.5-7.2	\$ -	\$16,660 (2006)	\$150,000
Water Dev. Program (4)	1985A	16,865	8.2-9.625	415	1,295 (2006)	10,765
Water Conservation (5)	-	535	3.463-5.0	12	3 (2016)	339
Water Dev. Program (4)	1987C	1,215	6.1-7.6	35	120 (2008)	1,100
Water Dev. Program (4)	1988A	1,720	6.75-7.3	50	160 (2009)	1,590
Water Dev. Program (4)	1989A	6,000	6.0-6.9	175	520 (2010)	5,680
Broadwater Power Project (4)(7)	1990A	3,800	9.5	240	505 (2002)	3,580
Water Development Program (4)	1990B	9,625	6.1-7.2	375	955 (2007)	9,270
Broadwater Power Project (4)(6)	1991A	<u>21,735</u>	<u>6.4-6.875</u>	<u>-</u>	<u>2,135 (2018)</u>	<u>21,735</u>

Total Special Revenue Bonds \$211,495 \$ 1,302 \$204,059

Middle Creek Dam Project (8) \$ 1,393 8.125 \$ - 71 (2019) \$ 1,400

TOTAL GENERAL LONG-TERM OBLIGATIONS ACCOUNT GROUP \$265,599

- (1) All Water Development Program Bonds and the Renewable Resource Development (1985C) Bonds are secured additionally by a pledge of and payable from certain coal severance taxes. Series 1985B, 1985C, 1988, 1989B and 1991A bonds are also secured by a pledge of loan repayments from loans made from the bond proceeds.
- (2) First payment of \$65,000 is due in 1994.
- (3) First payment of \$7,820,000 is due in 1994.
- (4) Issued by the Department of Natural Resources and Conservation (DNRC) and backed by a pledge of coal severance taxes.
- (5) Bonds were sold to Farmers Home Administration.
- (6) First payment of \$700,000 is due in 2003.
- (7) Bonds were sold to the Board of Investments.
- (8) U.S. Bureau of Reclamation loan to Montana Dept. of Natural Resources & Conservation. The outstanding balance includes \$7,598 of interest owed, with first payment due December 1993.
- (9) Year of Maturity refers to fiscal year.

Board of Regents Issues Higher Education Units	Series	Amount Issued	Interest Range (%)	Principal Payments		Balance June 30, 1992
				FY 1993	In Year of Maturity	
Pooled Equip. Financing (U of M & EMC)	1988A	\$ 4,110	6.15	\$ 1,398	\$1,398 (1993)	\$ 1,398
University of Montana (U of M)	1985A-B/1987A-B	21,784	6.0-8.9	1,225	1,660 (2008)	13,705
Montana State University (MSU)	1985B/1986A/1987A	43,690	6.5-8.65	795	7,345 (2010)	40,065
Montana College of Mineral Science & Technology (TECH)	1986A	6,745	6.5-7.625	155	1,070 (2010)	5,975
Eastern Montana College (EMC)	1985B/1988A	11,440	6.4-8.375	395	1,160 (2004)	9,590
Northern Montana College (NMC)	1986C/1987A	1,670	6.75-8.75	56	140 (2008)	1,311
Western Montana College (WMC)	1966B-D/1967A-B	<u>1,826</u>	<u>3.0-5.25</u>	<u>64</u>	<u>16 (2007)</u>	<u>643</u>
Total Higher Education Bonded Debt		<u>\$91,265</u>		<u>\$4,088</u>		<u>\$ 72,687</u>

Higher Ed Nonbonded Debt

EMC Mortgage Payable	\$ 170	10.5	\$ 17	\$ 17 (1993)	\$ 17
EMC Computer Site Note Payable	100	None	10	10 (1993)	10
EMC Library Note	250	6.42	84	90 (1994)	174
U of M Mortgage Payable	204	Variable	5	5 (2012)	193
U of M Mansfield Library Note	50	Variable	10	3 (1995)	24
Billings Vo-Tech Center Note	876	None	122	95 (1999)	748
Butte Vo-Tech Center Note	3,271	None	470	468 (1998)	2,803
Great Falls Vo-Tech Center Note	<u>316</u>	<u>None</u>	<u>105</u>	<u>100 (1994)</u>	<u>205</u>

Total Higher Education
Nonbonded Debt \$ 5,237 \$ 823 \$ 4,174

TOTAL HIGHER EDUCATION FUNDS \$ 76,861

Debt service requirements (principal and interest) for long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds are as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>General Obligation Debt</u>	<u>Special Revenue Bonds</u>	<u>Higher Ed Revenue Bonds</u>	<u>Non- Bonded Debt</u>	<u>Total Requirements</u>
1993	\$ 15,065	\$ 15,355	\$ 9,099	\$ 853	\$ 40,372
1994	15,864	22,977	7,928	808	47,577
1995	15,078	22,959	7,955	600	46,592
1996	13,643	22,940	7,725	591	44,899
1997	4,383	22,912	6,993	585	34,873
1998+	<u>16,678</u>	<u>237,237</u>	<u>90,026</u>	<u>919</u>	<u>344,860</u>
Totals	<u>\$ 80,711</u>	<u>\$344,380</u>	<u>\$129,726</u>	<u>\$ 4,356</u>	<u>\$ 559,173</u>

A summary of changes in long-term notes/bonds payable reported in the General Long-Term Obligations Account Group and Higher Education Funds for the fiscal year ending June 30, 1992, are as follows (in thousands):

	<u>Balance July 1, 1991</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 1992</u>
General Obligation Debt	\$ 70,050	\$ -	\$ 9,910	\$ 60,140
Special Revenue Bonds	205,733	23,128	23,402	205,459
Higher Ed Revenue Bonds	75,878	-	3,191	72,687
Higher Ed Nonbonded Debt	<u>4,897</u>	<u>99</u>	<u>822</u>	<u>4,174</u>
Totals	<u>\$ 356,558</u>	<u>\$ 23,227</u>	<u>\$ 37,325</u>	<u>\$ 342,460</u>

D. Refunded Bonds

On September 15, 1991, the Department of Natural Resources and Conservation issued \$21.735 million of Coal Severance Tax Bonds with an interest rate of 6.4% to 6.875%. The Department used the bond proceeds along with certain other funds available to advance refund the 1987 Series A Coal Severance Tax bonds which had an interest rate that varied weekly up to a 12% maximum rate allowed. The purpose of the refunding was to convert the interest rate on the bonds from a variable rate to a fixed interest rate.

In prior years, the State of Montana and the Board of Higher Education have issued general obligation and revenue refunding bonds, the proceeds of which were used to defease certain bond issues already outstanding. The proceeds of the refunding issues were placed in escrow accounts and invested in U.S. Treasury Obligations that, together with interest earned thereon, will be sufficient for future payment of principal and interest on the refunded issues. Accordingly, the debt is considered defeased for financial reporting purposes and the liability for the defeased bonds is not included in the financial statements. At June 30, 1992, the defeased bonds outstanding are as follows (in thousands):

General Obligation	\$ 29,460
Special Revenue	12,320
Higher Education Revenue	<u>55,163</u>
Total	<u>\$ 96,943</u>

E. Enterprise Funds

(1) **Board of Housing (BOH) Revenue Bonds** - The Montana Board of Housing (Housing Authority) is authorized to have an aggregate of \$975 million of housing mortgage bonds outstanding. The bonds are payable from mortgage loan repayments and investment earnings. All bonds issued to date are secured by federally insured or guaranteed mortgages. Statutory provisions exist wherein the Governor shall include in the executive budget submitted to the legislature the sum required to fund possible future deficiencies in required reserves; however, the legislature is not legally required to appropriate funding for such deficiencies. None of the outstanding bonds were issued under these provisions. Amounts reported in the Enterprise Fund for the Board of Housing were reproduced from their most recent audit report, which received an unqualified opinion dated August 21, 1992.

BOH Revenue Bonds (net) outstanding at June 30, 1992, were as follows (in thousands):

Program	Series	Amount Issued	Interest Rate (%)	Principal Payments		Balance June 30, 1992
				FY 1993	In Year of Maturity	
Single Family I	1977A	\$ 21,470	4.5-8.0	\$ 590	\$ 1,850 (2008)	\$ 11,915
	1977B	35,060	4.15-8.0	990	3,16 (2008)	19,740
	1978A	13,600	5.05-8.0	430	1,115 (2009)	7,970
	1987A	20,000	5.3-8.625	365	1,240 (2018)	15,595
	1987B1-B2	20,000	6.25-9.0	220	1,050 (2019)	16,095
	1988A1-A2	19,999	5.4-8.5	275	3,580 (2019)	17,717
Subtotal		<u>\$130,129</u>		<u>\$ 2,870</u>		<u>\$89,032</u>
Single Family II	1979A	\$100,000	5.1-6.6	\$ 3,740	\$ 9,670 (2011)	\$ 62,665
	1980A	50,000	7.7-9.0	1,835	5,510 (2012)	31,210
	1982A	55,000	8.5-13.5	-	490 (2006)	7,160
	1983A	30,000	5.25-9.875	440	1,370 (2008)	13,820
	1983B	55,000	8.0-9.625	935	2,310 (2008)	30,240
	1983C	114,998	5.75-10.7	1,925	11,540 (2010)	56,032
	1984A	75,002	7.0-10.375	1,790	13,680 (2010)	44,550
	1985A	40,000	5.5-9.75	1,485	5,170 (2016)	26,504
	1985B	74,997	5.7-9.75	845	1,350 (2017)	28,089
Subtotal		<u>\$594,997</u>		<u>\$12,995</u>		<u>\$300,270</u>
Family III	1988B1-B2	25,000	6.2-8.9	220	1,545 (2020)	21,950
Single Family IV	1989A1-A2	25,000	7.0-9.2	225	1,940 (2020)	22,320
Single Family V	1990A1-A2	25,000	6.2-8.525	255	1,990 (2021)	24,160
Single Family VI	1990B1-B2	25,000	6.2-8.5	245	2,005 (2022)	24,570
Single Family VII	1990C1-C2	25,000	6.55-8.95	230	1,040 (2022)	24,825
Single Family VIII	1991A1-A2	25,000	5.2-8.275	130	1,935 (2022)	25,000
Single Family IX	1991B1-B2	25,000	5.5-8.4	125	975 (2023)	25,000
Single Family X	1992A1-A2	25,000	4.45-7.85	-	1,885 (2023)	25,000
Multifamily	1978A	\$ 4,865	6.125	\$ 50	\$ 645 (2019)	\$ 4,475
	1979A	8,660	5.4-6.875	85	905 (2021)	7,900
	1982A	1,945	12.75	5	220 (2023)	1,915
Subtotal		<u>\$ 15,470</u>		<u>\$ 140</u>		<u>\$ 14,290</u>
TOTAL		<u>\$940,596</u>		<u>\$17,435</u>		<u>\$596,417</u>
Less: Unamortized discounts/premiums (net)						<u>(310)</u>
TOTAL BOH BONDS PAYABLE (net)						<u>\$596,107</u>

Debt service requirements (principal & interest) for all BOH programs are as follows (in thousands):

1993	1994	1995	1996	1997	1998+	Total
\$61,046	\$60,989	\$61,011	\$61,201	\$60,634	\$1,079,232	<u>\$1,384,113</u>

(2) Economic Development & Municipal Finance Consolidation Act Bonds (EDB) - This program is directed by the nine-member Board of Investments, administered by the Department of Commerce. This program assists Montana's small businesses and local governments in obtaining long-term, fixed rate financing through private Montana lending institutions. Outstanding obligations are as follows (in thousands):

Program	Series	Amount Issued	Interest Rate (%)	Principal Payments		Balance June 30, 1992
				FY 1993	In Year of Maturity	
Industrial Development Revenue Bonds (Pooled Loan) (1)	1984A-G	\$ 3,650	7.0-10.75	\$ 125	\$ 570 (2006)	\$ 3,075
Industrial Development Revenue Bonds (Pooled Loan) (1)	1985A-K	3,160	6.75-10.1	90	395 (2007)	2,795
Municipal Finance Consolidation Act Bonds (Irrigation Program) (3)	1988	4,976	6.6-7.75	145	205 (2013)	5,079

Program	Series	Amount Issued	Interest Rate (%)	Principal Payments		Balance June 30, 1992
				FY 1993	In Year of Maturity	
Economic Development Bonds (Conservation Reserve Enhancement Program) (4)	1991A-B	\$ 7,380	10.0-11.2	\$ 775	\$ 395 (1999)	\$ 6,865
Municipal Finance Consolidation Act Bonds (Cash Anticipation Financing Program) (2)	1991	4,485	4.8	4,485	4,485 (1992)	4,485
Municipal Finance Consolidation Act Bonds (School District Pooled Refunding Program) (5)	1991	<u>6,234</u>	4.75-6.5	<u>670</u>	294 (2005)	<u>5,889</u>
TOTAL BONDS PAYABLE		\$29,885		\$6,290		\$28,188
Conservation Reserve Enhancement Program (CRP Notes) (4)		<u>2,338</u>	Variable	<u>2,338</u>	2,338 (1992)	<u>2,338</u>
TOTAL BONDS/NOTES PAYABLE		<u>\$32,223</u>		<u>\$8,628</u>		<u>\$30,526</u>

- (1) These bonds, which may not aggregate more than \$75 million, are limited obligations of the Board of Investments payable solely from and secured by certain revenues and assets pledged pursuant to an Indenture of Trust. The bonds do not constitute a debt, liability or legal obligation of the State of Montana. However, if the balance in the "Capital Reserve Account A" falls below the indenture requirement, the Governor is required to request the Legislature to appropriate funds to restore the balance. The Legislature may, but is not legally obligated to, appropriate funds to correct any such deficiency. Principal payments (accrued interest to be added) are due each March 15. Series 1985 J (\$665,000) and Series 1985 B (\$775,000) were recalled on March 15 and December 15, 1988, respectively, without a gain or loss on extinguishment. Series 1985 L (\$325,000) were recalled in March 1992, without a gain or loss on extinguishment.
- (2) These bonds, which may not aggregate more than \$50 million, were issued to provide funds to finance the purchase of tax and revenue anticipation notes (TRANS) of participating local government units. The bonds are not a debt or liability of the State of Montana. The bonds are limited obligations of the Board of Investments payable solely from repayments of principal and interest on local government TRANS, proceeds of a loan made by the Board of Investments and investment income.
- (3) These bonds were issued to obtain funds for the Board of Investments, State of Montana, to purchase the Refunding Bonds of participating Irrigation Districts for the purpose of prepaying the U.S. Department of Interior, Bureau of Reclamation Projects Loans. The Irrigation Bonds and the interest thereon are payable solely from the collection of a special tax or assessment levied against real property in the Irrigation District. The Irrigation Bonds are not obligations of the State of Montana. However, the Irrigation Bonds are limited obligations of the Board of Investments due to an irrevocable pledge to lend money for deposit by the Trustee of the Irrigation District Pooled Loan Program Reserve Account E in an amount equal to any deficiencies therein on any payment date. The indenture does not permit the issuance of additional bonds.
- (4) These bonds and notes were issued for the purpose of providing funds for the Board of Investments, State of Montana, to make loans to participating farmers and ranchers under its Conservation Reserve Enhancement Program. The Series 1991 Bonds are not in any way a debt or liability of the State of Montana, and neither the full faith and credit, nor the taxing power of the State of Montana is pledged to the payment of the principal of or interest on the Series 1991 Bonds. However, the 1991 Bonds are limited obligations of the Board of Investments.
- The Bond Anticipation Notes (BAN) issued will mature November 15, 1992. The BAN's maturity date will be extended to November 1993.
- (5) These bonds were issued for the purpose of providing funds for the Board of Investments, State of Montana, to purchase the general obligation refunding bonds of 16 participating Montana school districts. The School District Refunding Bonds and the interest thereon are payable from real property taxes levied within the School District. These bonds are limited obligations of the Board of Investments.

Debt service requirements (principal & interest) for EDB are as follows (in thousands):

<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998+</u>	<u>Totals</u>
\$ 8,388	\$3,636	\$3,877	\$3,579	\$3,958	\$19,656	<u>\$43,094</u>

(3) Payroll Tax Bonds (Workers' Compensation Program) - The Board of Investments of the State of Montana issued bonds for the purpose of funding the State's liability and cost in administering and paying claims for injuries resulting from accidents, prior to July 1, 1990, that are subject to the Montana Workers' Compensation Act and the Occupational Disease Act of Montana. The bonds are limited obligations of the State of Montana payable solely from and secured by certain payroll tax revenues collected by the Department of Revenue of the State of Montana.

Program	Series	Amount Issued	Interest Rate (%)	Principal Payments		Balance June 30, 1992
				FY 1993	In Year of Maturity	
Payroll Tax Bonds						
Workers' Comp. Program	1991	\$142,095	4.9-6.875	\$1,940	\$10,590 (2020)	\$ 140,245
Less: Unamortized discount						<u>(2,001)</u>
TOTAL BONDS PAYABLE						<u>\$138,244</u>

Debt service requirements (principal & interest) are as follows (in thousands):

<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998+</u>	<u>Totals</u>
\$11,320	\$11,319	\$11,318	\$11,321	\$11,318	\$260,358	<u>\$316,954</u>

F. Internal Service Fund - Certificates of Participation were issued by the State of Montana to provide the funds to purchase the States' telecommunications system as follows (in thousands):

Program	Series	Amount Issued	Interest Rate (%)	Principal Payments		Balance June 30, 1992
				FY 1993	In Year of Maturity	
Certificates of Participation	1988	\$6,280	4.75-5.90	\$1,465	\$625 (1994)	<u>\$2,090</u>

Debt service requirements (principal & interest) for the Certificates are as follows (in thousands):

<u>1993</u>	<u>1994</u>	<u>Total</u>
\$1,544	\$643	<u>\$2,187</u>

SCHEDULE OF PRINCIPAL REQUIREMENTS TO MATURITY - REFUNDED ISSUE

	<u>1993</u>	<u>1994</u>	<u>Total</u>
1983 Certificates of Participation	\$1,485	\$1,600	<u>\$3,085</u>

G. No-Commitment Debt - Information is presented below for financing authorities participating in debt issues. The State has no obligation for this debt. Accordingly, these bonds and notes are not reflected in the accompanying financial statements.

(1) Montana Health Facility Authority (MHFA) - The MHFA is authorized to issue bonds and notes to finance projects for qualifying health institutions. The obligations issued by MHFA do not constitute a debt, liability, obligation or pledge of faith and credit of the State of Montana. At June 30, 1992 the MHFA had issued bonds and notes as follows (in thousands):

<u>Project</u>	<u>Date of Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
West Mont Home Health Services	June 1985	\$ 440	\$ 321
MHFA 1985 Pooled Loan Projects	December 1985	66,900	38,800
Bozeman Deaconess Foundation	July 1987	16,025	14,905
Community Provider Pooled Loans	October 1988	1,461	1,260
St. Peters Community Hospital	March 1989	9,365	8,705
Kalispell Regional Hospital	June 1990	14,475	14,125
Community Provider Pooled Loan	July 1990	5,858	5,696
Deaconess Medical Center	February 1991	18,000	18,000
Deaconess Medical Center	February 1991	18,000	18,000
Sisters of Providence	May 1991	56,535	56,535
Montana Deaconess Medical Center	June 1991	12,010	12,010
St. Peters Community Hospital	August 1991	7,000	6,815
Deaconess Medical Center	September 1991	32,650	32,650
Deaconess Medical Center	September 1991	7,000	7,000
Community Provider Pooled Loans	September 1991	3,944	3,944
Total		<u>\$269,663</u>	<u>\$238,766</u>

(2) Beginning Farm Loan Program - The Montana Department of Agriculture is authorized to request issuance of bonds by the Montana Board of Investments to finance projects for beginning farmers within the State if it appears, after a properly noticed public hearing, that the project is in the public interest of the State. These non-recourse, industrial development revenue bonds do not constitute a debt, liability, or obligation of the State of Montana. The amount issued and outstanding at June 30, 1992, is as follows:

(1) Linger Project - issued \$112,200; outstanding \$40,821

(2) Jorgensen Project - issued \$81,600; outstanding \$60,809.

14. INTERFUND TRANSACTIONS

During the course of normal operations, the State has numerous transactions between funds to finance operations, provide services, construct assets, service debt, etc. Montana statutes include a provision for interfund loans when the expenditure of an appropriation is necessary and the cash balance in the account from which the appropriation was made is insufficient to pay the expenditure. To the extent that certain transactions between funds are not paid or received as of June 30, 1992, interfund receivables/payables (Due From/To Other Funds) are recorded. The schedule below presents all interfund balances outstanding at June 30, 1992, (in thousands) and interfund activity for the fiscal year then ended:

Funds	Interfund Loans/Advances		Due From Other Funds	Due To Other Funds	Operating Transfers		Residual Equity Transfers	
	Receivable	Payable			In	Out	In	Out
<u>General</u>	\$ 38,294	\$ 46,000	\$ 33,456	\$ 14,799	\$ 96,167	\$144,457	\$ 3,880	\$ -
<u>Special Revenue</u>								
State	71,099	30,491	21,223	20,387	90,317	60,543	-	8,037
Federal	-	32,651	4,425	11,134	436	6,491	-	2,111
<u>Debt Service</u>								
Coal Tax Bonds	-	21	5,287	4	23,353	19,181	258	-
Long-Range Bldg.	-	-	31	538	14,460	43,600	-	-
Water Development	-	-	1	-	74	321	6,731	-
Hwys Revenue Bonds	-	-	-	122	11,519	-	-	-
Transportation Bldg. Complex	-	-	2	47	494	-	-	-
Airport Bonds	-	-	1	-	-	61	-	-
Renewable Resource	-	-	-	-	-	29	-	-
<u>Capital Projects</u>								
Long-Range Bldg.	-	134	29	10	-	965	-	1
Capital Land Grant	-	-	48	-	881	881	-	-
<u>Enterprise</u>								
Housing Authority	-	-	289	315	-	-	-	-
State Comp. Mutual Ins. - New	-	-	2,108	753	-	2,384	-	-
State Comp. Mutual Ins. - Old	-	-	2,129	1,813	12,013	665	-	-
Economic Dev. Bonds	-	-	1	13	-	-	-	-
Employees' Grp. Ben.	-	-	20	36	-	-	-	-
Liquor Stores	-	-	3,214	6,476	-	16,856	-	-
Hail Insurance	-	-	14	15	-	33	-	-
State Lottery	-	-	11	1,367	-	5,579	-	-
MUS Group Insurance	26	-	141	9	-	-	-	-
Prison Ranch	-	-	100	99	-	-	-	-
Subsequent Injury	-	-	2	7	498	-	-	-
Uninsured Employers	-	-	11	14	-	-	-	-
Prison Industries	-	-	147	89	-	-	-	-
Historical Soc. Publications	-	-	-	10	51	-	-	-
W. Yellowstone Airport	-	-	-	3	7	-	-	-
Health Facilities Authority	-	-	2	4	-	-	-	-
Local Govt. Audits	-	175	-	57	91	-	-	-
Local Govt. Accting/Mgmt Systems	-	-	1	9	51	-	-	-
Swan River Vocational Training	-	-	1	-	-	-	-	-
<u>Internal Service</u>								
Highway Equipment	-	-	1,079	827	-	-	-	-
Communications	-	-	-	-	-	-	-	1,759
ISD	-	-	1,330	288	109	-	1,759*	292
Admin. Insurance	-	-	2	59	-	-	-	-
FWP Equipment	-	-	268	6	144	-	-	-
Motor Pool	-	62	154	9	-	-	-	-
Admin. Prop. & Supply	-	-	156	43	-	-	-	-
Publications & Graphics	-	-	227	39	-	-	-	47
Buildings & Grounds	-	-	68	77	55	-	-	-
Labor Central Services	-	-	9	113	-	-	-	-
Commerce Central Svcs.	15	-	111	84	-	-	-	-
DHES Indirect Cost Pool	-	-	266	60	-	-	-	-
FWP Warehouse Inventory	-	-	12	1	-	-	-	-
Mail & Messenger	-	200	63	15	-	-	-	-
Investment Division	-	-	124	84	-	-	-	-
Aircraft Operations	-	-	16	3	-	-	-	-

Funds	Interfund Loans/Advances		Due From Other Funds	Due To Other Funds	Operating Transfers		Residual Equity Transfers	
	Receivable	Payable			In	Out	In	Out
Justice Legal	-	-	46	23	-	-	-	-
OPI Central Services	-	-	50	39	435	-	-	-
Personnel Training	-	-	15	10	-	-	-	-
Records Management	-	40	25	10	-	-	48*	-
FWP Office Supply	-	-	9	4	-	-	-	-
DHES Legal	-	30	8	8	-	-	2*	-
Bad Debt	-	-	13	7	-	-	-	-
Admin. Legal	-	-	2	3	-	-	-	-
Local Govt Admin. Services	-	-	6	6	-	-	-	-
Natural Gas Procurement	-	-	-	1	-	-	-	-
Expendable Trusts								
L & I Comp Insurance	-	-	2	-	-	-	-	-
Unemployment Insurance	-	-	1	-	-	-	-	-
BN Geraldine Settlement	-	-	8	-	11	-	-	-
Rural Development	-	-	1	3	-	-	-	-
Historical Soc. Gen.	-	-	1	-	-	6	-	-
Woodville Highway Replacement	-	-	1	-	-	-	-	-
Nonexpendable Trusts								
Coal Tax Trust	-	-	748	23,316	17,240	47,868	-	310
Land Grants	-	-	350	7,739	-	43,164	-	-
Resource Indemnity	-	-	239	2,306	-	8,246	-	-
Parks Trust	-	-	154	73	-	1,380	-	6,294
Cultural, Aesthetic Trust	-	-	1	-	-	278	6,294	-
Real Property	-	-	9	328	-	792	-	-
Noxious Weed Management	-	-	9	1	-	-	-	-
BN Geraldine Settlement	-	-	1	1	-	11	-	-
Thomas Teakle Trust	-	-	-	-	-	3	-	-
Pension Trusts								
PERS	-	-	3,259	2,232	1,379	-	-	-
Teachers	-	-	1,237	43	1,433	-	-	-
Municipal Police	-	-	3,096	26	125	-	-	-
Firefighters Unified	-	-	3,504	24	115	-	-	-
Sheriffs	-	-	20	10	18	-	-	-
Highway Patrol	-	-	104	11	55	-	-	-
Judges	-	-	64	3	15	-	-	-
Game Wardens	-	-	34	4	18	-	-	-
Volunteer Firefighters	-	-	616	16	18	-	-	-
Agency								
Investment Pool	-	-	-	2,603	-	-	-	-
Employees Defer. Comp	-	-	67	-	-	-	-	-
Land Grant Interest	-	-	-	1	-	-	-	-
Performance Deposits	370	-	22	202	-	-	-	-
Central Payroll	-	-	17,383	124	-	-	-	-
Custodial Accounts	-	-	95	65	-	-	-	-
Unissued Warrants	-	-	15	1,492	-	-	-	-
Child Support Collections	-	-	11	970	-	-	-	-
Unclaimed Property	-	-	-	127	-	-	-	-
Intergovernmental	-	-	3	48	-	-	-	121**
A & E Advances	-	-	-	12	-	-	-	-
Uncleared Collections	-	-	10	6,366	-	-	-	-
Bad Debts	-	-	-	82	-	-	-	-
Stock Estray	-	-	28	1	-	-	-	-
Higher Education								
Current Funds								
General Operating	500	-	2,338	3,213	130,425	271	-	-
Designated	550	-	1,876	1,250	558	2,186	-	-
Auxiliary	-	-	419	1,989	837	7,013	-	-
Restricted	-	1,000	961	1,614	409	254	-	-
Fiduciary								
Student Loans	-	-	74	14	101	4	-	-
Endowments	-	-	-	2	1	2	-	-
Agency	-	50	3,434	2,118	-	-	-	-
Plant								
Unexpended	-	-	179	129	2,795	2,624	-	-
Renewal & Replacement	-	-	317	531	4,864	300	-	-
Retirement of Indebtedness	-	-	1,670	76	10,131	5,255	-	-
Totals	\$110,854	\$110,854	\$119,114	\$119,114	\$421,703	\$421,703	\$ 18,972	\$ 18,972

* These residual equity transfers are reflected in Contributed Capital on the balance sheet.

** These residual equity transfers are reflected in Due to Other Governments on the balance sheet.

15. FUND DEFICITS

The following funds have a deficit fund balance/retained earnings found on the operating statements for June 30, 1992, (in thousands):

<u>Enterprise Fund Type</u>		<u>Amount</u>
State Comp. Mutual Ins.(New Fund)		(54,249)
State Comp. Mutual Ins. (Old Fund)		(499,085)
Local Government Audits		(83)
Department of Agriculture		(175)
<u>Internal Service Fund Type</u>		
Administration Insurance		(10,640)
Labor Central Services		(74)
Records Management		(43)
Administration - Legal		(12)
Local Government Admin		(19)
<u>Higher Education Fund Type</u>		
General Operating Subfund		(11,760)

The deficit retained earnings in the new and old State Compensation Mutual Insurance Funds in the Enterprise Fund and the Administration Insurance Fund in the Internal Service Fund are due to recording the expense for estimated claims including claims incurred but not reported. Refer to Notes 7 and 10 for further discussion of these funds. The deficit fund balance in the General Operating Subfund of the Higher Education Fund is due to the expense associated with the recording of compensated absences.

16. PROPRIETARY AND NONEXPENDABLE TRUST RESERVED FUND BALANCES

The Enterprise Fund retained earnings are reserved as follows (in thousands): Reserved for Debt Service \$67,326; Reserved for Employee Benefits \$8,980; and Reserved for Future Claims \$3,066.

The Coal Tax Trust reserved fund balance in the Nonexpendable Trust Fund consists of the following (in thousands): Permanent Coal Tax Trust \$450,558; Clean Coal Technology Fund \$30,000; and the School Bond Contingency Fund \$436. All other Nonexpendable Trust Fund balances are Reserved for Trust Principal.

17. SEGMENT INFORMATION

Selected financial information concerning all enterprise operations for the fiscal year ended June 30, 1992, is as follows (in thousands):

	<u>Housing Authority</u>	<u>St. Comp. Mutual Insurance (New Fund)</u>	<u>St. Comp. Mutual Insurance (Old Fund)</u>	<u>Economic Development Bonds</u>	<u>Employees Group Benefits</u>
Operating Revenues:					
Charges for Services	\$ 86	\$ 37	\$ -	\$ 323	\$ -
Investment Earnings	56,555	6,035	4,625	4,167	1,104
Contrib./Premiums	-	126,765	15	-	30,510
Taxes	-	-	-	-	-
Other Revenues	11	28	19	-	2
Operating Expenses:					
Depreciation	6	152	-	2	4
Amortization	10	-	-	-	-
Other	53,402	175,272	52,797	3,824	32,054
Operating Income (Loss)	<u>3,234</u>	<u>(42,559)</u>	<u>(48,138)</u>	<u>664</u>	<u>(442)</u>
Nonoperating Revenues (Expenses)	-	3	-	(2)	-
Oper. Trans. In (Out)	-	(2,384)	11,348	-	-
Net Income (Loss)	<u>\$ 3,234</u>	<u>\$ (44,940)</u>	<u>\$ (36,790)</u>	<u>\$ 662</u>	<u>\$ (442)</u>
Current Assets	\$ 9,502	\$ 130,455	\$ 10,965	\$ 6,325	\$ 6,452
Current Liabilities	(8,080)	(19,628)	(2,656)	(1,760)	(775)
Net Working Capital	<u>\$ 1,422</u>	<u>\$ 110,827</u>	<u>\$ 8,309</u>	<u>\$ 4,565</u>	<u>\$ 5,677</u>
Total Assets	\$673,961	\$ 189,818	\$ 48,534	\$ 50,193	\$ 15,757
Total Liabilities	\$604,569	\$ 232,056	\$ 547,619	\$ 48,675	\$ 6,777
Fund Equity	\$ 69,392	\$ (42,238)	\$(499,085)	\$ 1,518	\$ 8,980
Long-Term Obligations	\$596,489	\$ 212,428	\$ 544,963	\$ 46,915	\$ 6,002
Cur. Yr. Capital Cont.	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition of Fixed Assets	\$ 50	\$ 154	\$ -	\$ -	\$ 1
Disposal of Fixed Assets	\$ 61	\$ 11	\$ -	\$ 23	\$ 1

	<u>Liquor Stores</u>	<u>Hail Insurance</u>	<u>State Lottery</u>	<u>Other* Enterprise</u>	<u>Total Enterprise</u>
Operating Revenues:					
Charges for Services	\$ 39,307	\$ -	\$ 27,926	\$ 5,620	\$ 73,299
Investment Earnings	-	194	95	491	73,266
Contrib./Premiums	-	2,061	-	13,470	172,821
Taxes	9,970	-	-	-	9,970
Other Revenues	47	-	-	1,935	2,042
Operating Expenses:					
Depreciation	76	2	117	336	695
Amortization	-	-	120	1	131
Other	<u>33,877</u>	<u>1,367</u>	<u>22,199</u>	<u>21,289</u>	<u>396,081</u>
Operating Income (Loss)	<u>15,371</u>	<u>886</u>	<u>5,585</u>	<u>(110)</u>	<u>(65,509)</u>
Nonoperating Revenues (Expenses)	(8)	-	(6)	(544)	(557)
Oper. Trans. In (Out)	<u>(16,856)</u>	<u>(33)</u>	<u>(5,579)</u>	<u>698</u>	<u>(12,806)</u>
Net Income (Loss)	<u>\$ (1,493)</u>	<u>\$ 853</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ (78,872)</u>
Current Assets	\$ 10,292	\$ 5,145	\$ 2,813	\$ 14,679	\$ 196,628
Current Liabilities	<u>(8,976)</u>	<u>(1,394)</u>	<u>(2,917)</u>	<u>(867)</u>	<u>(47,053)</u>
Net Working Capital	<u>\$ 1,316</u>	<u>\$ 3,751</u>	<u>\$ (104)</u>	<u>\$ 13,812</u>	<u>\$ 149,575</u>
Total Assets	\$ 11,703	\$ 5,151	\$ 3,044	\$ 19,654	\$1,017,815
Total Liabilities	\$ 9,274	\$ 1,410	\$ 3,043	\$ 5,719	\$1,459,142
Fund Equity	\$ 2,429	\$ 3,741	\$ 1	\$ 13,935	\$ (441,327)
Long-Term Obligations	\$ 298	\$ 16	\$ 126	\$ 4,852	\$1,412,089
Cur. Yr. Capital Cont.	\$ -	\$ -	\$ 1	\$ 6	\$ 7
Acquisition of Fixed Assets	\$ 78	\$ 1	\$ 24	\$ 393	\$ 701
Disposal of Fixed Assets	\$ 189	\$ -	\$ 81	\$ 78	\$ 444

1. The Housing Authority provides financing to qualified individuals to purchase residential housing by issuing bonds and carrying federally insured mortgage notes.
2. State Compensation Mutual Insurance (New Fund) provides benefit payments to workers injured after June 30, 1990, and accounts for employer contributions to the fund (See Notes 10 and 15).
3. State Compensation Mutual Insurance (Old Fund) provides benefit payments to workers injured prior to July 1, 1990 (See Notes 10 and 15).
4. The Economic Development Bond Program, administered by the Board of Investments, assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.
5. The Employees Group Benefits fund receives non-higher education unit employee withholdings and State contributions to the medical/dental self-insurance plan.
6. The Liquor Division of the Department of Revenue administers the State liquor operations (Liquor Stores). This fund accounts for liquor licensing activities and the sale and distribution of alcoholic beverages.
7. The Hail Insurance fund provides benefit payments to producers for crop acreage insured and accounts for premium assessments paid (See Note 10).
8. The State Lottery accounts for the operations of Montana's lottery which began in June 1988.

* Other Enterprise is composed of the following funds (listed by administering agency):

Department of Agriculture
Department of Agriculture

Fish, Wildlife and Parks
FWP Snowgroomer Rental

Commissioner of Higher Ed.
MUS Group Insurance

Department of Commerce
Health Facilities Authority
Local Government Audits
Local Government Accounting
and Management System

Montana Historical Society
Historical Society Publications
Department of Labor and Industry
Subsequent Injury
Uninsured Employers

Department of Corrections
and Human Services
Prison Ranch/Industries
Women's Prison Industries
Swan River Vocational Training

Department of Transportation
West Yellowstone Airport

18. CONTRIBUTED CAPITAL

During fiscal year 1992, contributed capital changed by the following amounts (in thousands):

	<u>ENTERPRISE FUND</u>	<u>INTERNAL SERVICE FUND</u>
Begin. Bal. - July 1, 1991	\$ 14,987	\$ 2,862
Additions:		
Contrib. Capital Transfers-in	72	2,195
Deletions:		
Contrib. Capital Transfers-out	<u>(76)</u>	<u>(132)</u>
Ending Bal. - June 30, 1992	<u>\$ 14,983</u>	<u>\$ 4,925</u>

19. NONEXPENDABLE TRUST FUNDS' INVESTMENT INCOME

Investments are recorded in Nonexpendable Trust Funds using the full accrual basis of accounting. However, certain investment earnings attributable to these trusts are transferred elsewhere, as summarized below:

<u>Nonexpendable Trust Fund</u>	<u>Reporting of Investment Earnings</u>
Coal Tax Trust	Permanent Trust - Investment Earnings are distributed eighty-five percent to the General Fund and fifteen percent to the Public School Equalization Account in the Special Revenue Fund for fiscal year 1992. Clean Coal Tax Technology Trust - Investment earnings are distributed one hundred percent to General Fund.
Resource Indemnity	Resource Indemnity Investment earnings are distributed to the State Special Revenue Fund as follows: \$175,000 to the Environmental Contingency Account and \$50,000 to the Oil and Gas Damage Mitigation Account; the remaining investment earnings are distributed thirty percent to the Water Development Account, twelve percent to the Hazardous Waste/CERCLA Account, eight percent to the Renewable Resource Development Account, forty-six percent to the Reclamation and Development Grants Account, and four percent to the Environmental Quality Protection Account.
Parks Trust	Investment earnings are distributed to the State Special Revenue Fund for the acquisition and maintenance of parks by the Department of Fish, Wildlife and Parks.
Cultural Aesthetic Trust	Investment earnings are distributed to the Special Revenue Fund for cultural and aesthetic projects.
Land Grants	Ninety-four percent of investment earnings are transferred to the State Special Revenue Fund for the Office of Public Instruction to distribute to public schools; five percent is distributed to Higher Education Units (Current and Plant Funds); and one percent to the Department of Corrections & Human Services (General Fund and State Special Revenue Fund).
Real Property	Investment earnings are transferred to the State Special Revenue Fund for use by the Department of Fish, Wildlife and Parks to operate, maintain and develop its real property.
Thomas Teakle	Investment earnings are transferred to the State Special Revenue Fund for the Montana Historical Society's library acquisitions.
BN Geraldine Settlement	Investment earnings are transferred to the BN Settlement Expendable Trust Fund.

20. CONTINGENCIES

A. Litigation - The Crow Tribe filed suit in 1978 in federal district court seeking a declaration that Montana's coal severance and gross proceeds taxes are invalid as applied to the production of coal on the Crow Reservation and to the production of coal owned by the Tribe located in an off-reservation area, known as the "Crow ceded area" or "ceded strip", which lies roughly between the northern boundary of the reservation and the Yellowstone River. The amount of coal reserved falling within these categories has not been precisely determined. The taxes were alleged to be invalid under a variety of theories, of which the most prominent were that the state taxes conflict with federal policy by preventing the marketing of Crow coal and infringe on tribal sovereignty by depriving the Tribe of revenue needed to provide governmental services to the Crow people. In addition to a declaration that the taxes were invalid, the Tribe sought restitution for an amount equal to the severance and gross proceeds taxes paid by Westmoreland Resources, Inc. (Westmoreland), the only company currently mining coal claimed by the Tribe, together with the interest which accrued to the Coal Severance Tax Trust Fund on the amount of taxes paid.

In January 1983, the court ordered Westmoreland's future severance tax payments placed in escrow pending the outcome of the litigation. The State has received no severance tax payments from Westmoreland with respect to the coal mined on the ceded strip since the entry of this order. Prior to 1983, Westmoreland's annual severance tax payments varied from a low of \$5.407 million in 1976 to a high of \$7.078 million in 1979.

In June 1987, the Ninth Circuit Court of Appeals ruled that Montana is preempted from applying its severance and gross proceeds taxes on coal within the ceded strip held in trust for the Crow Tribe and on coal mined on the reservation. In August 1987, the State docketed an appeal of the decision to the United States Supreme Court, and in January 1988, that Court summarily affirmed the Court of Appeals' judgment.

As a result of the Supreme Court's affirmance, two principal issues remained in the case, one of which has been resolved. The first issue involved the appropriate disposition of the escrowed moneys, to which the State disclaimed any interest after the Supreme Court's decision. The district court concluded in September 1988 that these moneys should be paid to the United States in trust for the Tribe. The escrowed funds totaling \$30.1 million were distributed in May 1989 to the United States.

The second issue, which remains to be resolved, is the Tribe's claim for tax moneys paid by Westmoreland to the State but not escrowed and Westmoreland's claim for the same amounts. The State requested summary judgment with respect to the Tribe's claim for the nonescrowed moneys in November 1989, but its motion was denied in December 1990. The State thereafter sought certification from the District Court to appeal such denial pursuant to 28 USC Section 1292(b), and certification was granted by the Ninth Circuit in July 1991. However, in July 1992 the Court of Appeals determined that leave to appeal had been improvidently granted and dismissed the appeal. The State believes its defenses to the Tribe's restitution claim have merit, but the issues are novel and their resolution cannot be predicted with certainty.

The sum of all the nonescrowed coal severance tax moneys, exclusive of interest, is approximately \$48 million. If interest on such moneys is eventually awarded, their amount will increase substantially. In May 1989, the Tribe estimated the State's liability for interest at approximately \$110 million. If the State is eventually held liable for paying interest, the actual amount will depend upon the interest rate judged appropriate and the time period over which it is calculated. Consequently, in the event the State is held liable for paying the interest, the actual amount may vary significantly from the Tribe's last estimate.

In October 1991, a group of individuals and unincorporated associations filed suit in state district court to void budget cuts and reversion targets directed by the Governor's Executive order 28-91. They asked the district court to grant an injunction and to declare unconstitutional section 17-7-140, MCA, which provides the Governor with authority to reduce State agency budgets in response to a revenue shortfall. In November 1991, the district court issued an order, later reduced to a judgment, determining that section 17-7-140, MCA, contained an unconstitutional delegation of legislative authority to the Governor. The State appealed from the order, and that appeal is now pending before the Montana Supreme Court. The Montana Legislature, however, met in special session during July 1992 and substantially revised section 17-7-140, MCA. The appeal was dismissed as moot on August 13, 1992, and the litigation is concluded.

In May 1989, the U.S. Supreme Court decided in *Davis v. Michigan* that a state may not discriminate in the taxation of members of a federal as opposed to a state retirement system. Subsequently, *Sheehy et al., v. State of Montana, Department of Revenue* was filed in Montana District Court. The action seeks refunds of state income taxes paid on federal retirement benefits. In addition to the law suit, approximately 6,005 claims for a refund have been filed by federal retirees with the Montana Department of Revenue. In July 1990, the District Court denied the plaintiffs' requests for refunds. That decision was appealed to the Montana Supreme Court. On November 14, 1991, the Montana Supreme Court issued an opinion affirming the decision of the District Court. The taxpayers have petitioned the U. S. Supreme Court to grant certiorari. A decision on the petition is pending. The State estimates the total amount of taxes subject to refund is approximately \$20 million including interest.

In January 1992 the district court decided against the State in a reclassification liability issue in *Iefft et al. v. Department of Military Affairs*. Trial on the damage aspects of all the issues was completed on October 7, 1992. Damages in this type of case include liquidated damages of up to 100% of the actual damages plus attorney fees for the plaintiffs' attorney. It is reasonably possible the district court will award the plaintiffs at least \$130,000 in damages, approximately \$80,000 in liquidated damages, and approximately \$70,000 in attorney fees. A decision is expected from the court by the end of 1992.

B. Federal Contingencies:

Federal Financial Assistance - The State receives federal financial assistance for specified purposes which are subject to review and audit in accordance with the Single Audit Act of 1984. Any disallowances resulting from these audits would become the liability of the State. There are no disallowances reported as of June 30, 1992.

USDA Food Stamp Coupons/Commodities - The State no longer has custodial responsibility for USDA food stamp coupons. The Department of Social and Rehabilitation Services has contracted with Sacramento Services Development Corporation (SSDC) in Sacramento, California to mail-issue 100% of all food stamps. SSDC is responsible for the storage of all food stamp coupons and the State has no liability. In fiscal year 1992, Montana issued \$50,531,306 in food stamp coupons.

In fiscal year 1992, the State distributed \$6,628,721 in commodities. The value at June 30, 1992, of commodities stored in the State's warehouse is \$2,013,879 for which the State is liable in the event of loss.

Social Security - The Social Security Administration (SSA) has assessed the State for the alleged failure to withhold and forward social security contributions for part-time employees for the years 1984-1986. The matter has been fully submitted for a final administrative decision. The amount at issue is estimated to be \$2,509,534 plus interest of approximately \$1.2 million which continues to accrue at a rate of 6% per annum. Of the principal amount, \$702,709 is estimated to be the initial liability of state government central payroll; a proportional amount of the interest figure provided would be the State's responsibility. The balance of the amount owing is the initial responsibility of various political subdivisions. The portion of that amount that the state might have to pay (because of the current nonexistence of some of those political subdivisions) should not be substantial, approximately \$5,000.

Gain Contingencies - Certain natural resource and corporation tax assessments are not reported on the State's financial statements because they are being protested administratively. As of June 30, 1992, the following assessments (by fund type) were outstanding (in thousands):

<u>Taxes</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Nonexpendable Trust</u>
Corporation	\$19,516	\$ 9,118	\$ 3,359	\$ -
Coal Severance	85	182	5	278
Metal Mines	609	278	-	163
Resource Indemnity	-	-	-	(63)
Totals	<u>\$20,210</u>	<u>\$ 9,578</u>	<u>\$ 3,364</u>	<u>\$ 378</u>

Collectibility of these contingencies is dependent upon the decisions of the court, other authorities, or agreed upon settlements.

21. **SUBSEQUENT EVENTS**

On July 15, 1992, the Montana Health Facility Authority (MHFA) issued \$4,645,000 in Hospital Facilities Revenue Bonds. The obligations issued by MHFA do not constitute a debt, liability, obligation or pledge of faith and credit of the State.

On September 23, 1992, the State issued \$135,600,000 in Tax and Revenue Anticipation Notes, Series 1992, due June 30, 1993. The proceeds of the Notes will provide cash to support expenditures from the general fund, pending the receipt of taxes and revenues, for the fiscal year ending June 30, 1993.



Montana

COMBINING, INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS/SCHEDULES

The financial statements that follow provide detailed information on the financial position and results of operations, by fund, for each fund type. Budget basis schedules provide comparisons of the legally established budget with actual data on the budgetary basis for expenditures/expenses and transfers out. These schedules were compiled from the Statewide Budgeting and Accounting System (SBAS).

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GENERAL FUND

The General Fund is used to account for all governmental financial resources except those required to be accounted for in another fund.

STATE OF MONTANA
Comparative Balance Sheet
General Fund
June 30, 1992
(Expressed in Thousands)

TOTALS - June 30		
	1992	1991
ASSETS:		
Cash/Cash Equivalents	\$ 13,312	\$ 12,451
Receivables (Net)	58,017	21,301
Interfund Loans Receivable	37,604	56,831
Due from Other Governments	37	36
Due from Other Funds	33,456	29,185
Inventories	2,805	3,163
Long-Term Notes/Loans Receivable	23	-
Advances to Other Funds	690	-
Other Assets	1,151	741
TOTAL ASSETS	\$ 147,095	\$ 123,708
LIABILITIES/FUND BALANCE:		
Liabilities:		
Accounts Payable	\$ 41,822	\$ 22,718
Interfund Loans Payable	46,000	12,700
Due to Other Governments	1	1
Due to Other Funds	14,799	12,123
Deferred Revenue	14,331	11,708
Property Held in Trust	138	376
Other Liabilities	1	-
Total Liabilities	117,092	59,626
Fund Balance:		
Reserved For:		
Encumbrances	1,999	2,219
Inventories	2,805	3,163
Advances to Other Funds	690	-
Long-Term Loans	23	-
Unreserved	24,486	58,700
Total Fund Balance	30,003	64,082
TOTAL LIABILITIES/FUND BALANCE	\$ 147,095	\$ 123,708

STATE OF MONTANA
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	TOTALS	
	YEAR ENDED JUNE 30	
	1992	1991
REVENUES:		
Licenses/Permits	\$ 22,669	\$ 20,176
Taxes:		
Gas/Oil/Coal Production	26,440	27,929
Individual Income	175,867	142,283
Corporate Income	32,052	40,322
Other	57,928	52,832
Charges for Services/Fines/Forfeits	21,429	20,087
Investment Earnings	16,400	22,404
Sale of Documents/Merchandise/Property	160	186
Rentals/Leases/Royalties	197	299
Federal	199	25
Federal Indirect Cost Recoveries	338	215
Other Revenues	492	438
Total Revenues	<u>354,171</u>	<u>327,196</u>
Intrafund Revenues	(25)	(81)
Net Revenues	<u>354,146</u>	<u>327,115</u>
EXPENDITURES:		
Current:		
General Government	60,103	57,693
Public Safety/Corrections	47,923	43,956
Transportation	449	574
Health/Social Services	176,940	156,639
Education/Cultural	61,128	57,842
Resource Development/Recreation	18,833	14,877
Economic Development/Assistance	3,691	6,381
Debt Service:		
Principal Retirement	871	730
Interest/Fiscal Charges	2,789	406
Capital Outlay	4,856	3,033
Total Expenditures	<u>377,583</u>	<u>342,131</u>
Intrafund Expenditures	(25)	(81)
Net Expenditures	<u>377,558</u>	<u>342,050</u>
Excess of Revenues Over (Under) Expenditures	<u>(23,412)</u>	<u>(14,935)</u>
OTHER FINANCING SOURCES (USES):		
Bond Proceeds	169	-
Inception of Lease/Installment Contract	1,149	602
General Fixed Asset Sale Proceeds	38	75
Operating Transfers In	96,167	97,079
Operating Transfers Out	(144,457)	(115,647)
Total Other Financing Sources (Uses)	<u>(46,934)</u>	<u>(17,891)</u>
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	<u>(70,346)</u>	<u>(32,826)</u>
Cum Eff of Chg in Acctg Prin.	30,885	-
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses After Cumulative Effect	<u>(39,461)</u>	<u>(32,826)</u>
FUND BALANCE - July 1 - As Previously Reported	64,081	95,074
Prior Period Adjustments	1,860	948
FUND BALANCE - July 1 - As Restated	<u>65,941</u>	<u>96,022</u>
Increase (Decrease) in Inventories	(357)	(227)
Residual Equity Transfers	3,880	1,113
FUND BALANCE - JUNE 30	<u>\$ 30,003</u>	<u>\$ 64,082</u>

STATE OF MONTANA
Schedule of Expenditures and Transfers Out
Budget and Actual (Budget Basis) - General Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
LEGISLATIVE AUDITOR				
Audit & Examination Program	\$ 1,194	\$ -	\$ 1,165	\$ 29
Total Agency	\$ 1,194	\$ -	\$ 1,165	\$ 29
LEGISLATIVE FISCAL ANALYST				
Analysis and Review	925	-	789	136
Total Agency	\$ 925	\$ -	\$ 789	\$ 136
LEGISLATIVE COUNCIL				
Legislative Council Feed Bill	173	-	163	10
Interim Studies & Conferences	621	-	180	441
Legislative Council	1,598	-	1,483	115
Legislative Council	-	2	2	-
Total Agency	\$ 2,392	\$ 2	\$ 1,828	\$ 566
LEGISLATURE-SENATE				
Legislature - Senate	443	-	234	209
Total Agency	\$ 443	\$ -	\$ 234	\$ 209
LEGISLATURE-HOUSE				
Legis.- House of Representativ	722	-	489	233
Total Agency	\$ 722	\$ -	\$ 489	\$ 233
ENVIRONMENTAL QUALITY COUNCIL				
Environmental Quality Program	289	-	278	11
Total Agency	\$ 289	\$ -	\$ 278	\$ 11
JUDICIARY				
Supreme Court Operations	1,501	-	1,467	34
Boards and Commissions	237	-	224	13
Law Library	731	-	728	3
District Court Operations	2,650	-	2,618	32
Clerk of Court	168	-	165	3
District Court Reimbursement	2,683	-	2,681	2
HB 903 Automation	386	-	302	84
Total Agency	\$ 8,356	\$ -	\$ 8,185	\$ 171
GOVERNORS OFFICE				
Executive Office Program	1,001	-	962	39
Mansion Maintenance Program	56	-	54	2
Air Transportation Program	452	-	277	175
Office of Bdget & Pgm Planning	823	-	802	21
Lt. Governor	161	-	156	5
Citizens Advocate Office	60	-	60	-
Mental Dis Bd Visitors	140	-	139	1
Total Agency	\$ 2,693	\$ -	\$ 2,450	\$ 243
SECRETARY OF STATES OFFICE				
Business & Government Services	995	-	939	56
Total Agency	\$ 995	\$ -	\$ 939	\$ 56

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - General Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
COMMISSIONER OF POLITICAL PRAC				
Administration	\$ 158	\$ -	\$ 134	\$ 24
Total Agency	\$ 158	\$ -	\$ 134	\$ 24
STATE AUDITORS OFFICE				
Central Management	353	-	349	4
State Payroll	230	-	224	6
Insurance	954	-	948	6
Securities	305	-	300	5
Fiscal Control and Management	504	-	472	32
Total Agency	\$ 2,346	\$ -	\$ 2,293	\$ 53
OFFICE OF PUBLIC INSTRUCTION				
OPI Administration	3,254	-	3,153	101
OPI Administration	-	435	435	-
Distribution to Public Schools	46,388	-	43,316	3,072
Distribution to Public Schools	-	24,130	12,100	12,030
Total Agency	\$ 49,642	\$ 24,565	\$ 59,004	\$ 15,203
CRIME CONTROL DIVISION				
Justice System Support Service	467	-	455	12
Total Agency	\$ 467	\$ -	\$ 455	\$ 12
HIGHWAY TRAFFIC SAFETY				
Highway Traffic Safety Div	183	-	183	-
Total Agency	\$ 183	\$ -	\$ 183	\$ -
DEPARTMENT OF JUSTICE				
Legal Services Division	1,405	-	1,164	241
Motor Vehicle Division	5,676	-	5,581	95
Highway Patrol Division	317	-	317	-
Law Enforcement Services Div	1,067	-	1,053	14
County Attorney Payroll	1,239	-	1,238	1
Law Enforcement Academy Div	615	-	602	13
Central Services Division	180	-	162	18
Data Processing Division	833	-	822	11
Extradition & Transp Prisoners	218	-	218	-
Forensic Science Division	906	-	906	-
Total Agency	\$ 12,456	\$ -	\$ 12,063	\$ 393
PUBLIC SERVICE REGULATION				
Public Service Regulation Prog	2,180	-	2,092	88
Total Agency	\$ 2,180	\$ -	\$ 2,092	\$ 88
BOARD OF PUBLIC EDUCATION				
Administration	120	-	117	3
Total Agency	\$ 120	\$ -	\$ 117	\$ 3
COMMISSIONER OF HIGHER ED				
Administration Program	1,182	-	1,154	28
Student Assistance Program	4,743	-	4,741	2
Community College Assistance	3,665	-	3,662	3

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - General Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
COMMISSIONER OF HIGHER ED				
Talent Search	\$ 162	\$ -	\$ 80	\$ 82
Vo-Tech Approp. Distrib.	-	8,724	8,724	-
C.O. Perkins Admin	88	-	86	2
Appropriation Distribution	-	108,746	108,716	30
Board of Regents-Admin	34	-	34	-
B of R Bond Payments	706	-	706	-
Votech Center Admin.	97	-	96	1
Total Agency	\$ 10,677	\$ 117,470	\$ 127,999	\$ 148
SCHOOL FOR THE DEAF & BLIND				
Administration Program	241	-	220	21
General Services Program	261	-	259	2
Student Services	804	-	803	1
Education	1,399	-	1,398	1
Total Agency	\$ 2,705	\$ -	\$ 2,680	\$ 25
MONTANA ARTS COUNCIL				
Promotion of the Arts	136	-	134	2
Total Agency	\$ 136	\$ -	\$ 134	\$ 2
LIBRARY COMMISSION				
State Library Operations	1,176	-	1,071	105
Natural Resource Info Services	2	-	2	-
Total Agency	\$ 1,178	\$ -	\$ 1,073	\$ 105
HISTORICAL SOCIETY				
Administration Program	519	-	500	19
Library Program	424	-	423	1
Museum Program	215	-	214	1
Publications	-	51	51	-
Historical Sites Preservation	86	-	85	1
Total Agency	\$ 1,244	\$ 51	\$ 1,273	\$ 22
DEPT OF FISH, WILDLIFE & PARKS				
Parks Division	396	-	393	3
Total Agency	\$ 396	\$ -	\$ 393	\$ 3
DEPT HEALTH & ENVIRON SCIENCES				
Director's Office	211	-	201	10
Central Services	547	-	527	20
Environmental Sciences	848	-	803	45
Solid/Hazardous Waste	189	-	164	25
Water Quality	220	-	220	-
Health Services/Medical Fac	509	-	500	9
Family/MCH Bureau	1,353	-	797	556
Preventive Health Bureau	201	-	195	6
Health Facilities Division	450	-	450	-
Total Agency	\$ 4,528	\$ -	\$ 3,857	\$ 671
DEPARTMENT OF TRANSPORTATION				
Rail & Transit Program	550	-	387	163
Total Agency	\$ 550	\$ -	\$ 387	\$ 163

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - General Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPARTMENT OF STATE LANDS				
Central Management Program	\$ 1,781	\$ -	\$ 1,717	\$ 64
Reclamation Program	280	-	280	-
Land Administration Pgm	791	-	783	8
Forestry	11,744	-	11,713	31
Total Agency	\$ 14,596	\$ -	\$ 14,493	\$ 103
DEPARTMENT OF LIVESTOCK				
Centralized Services Program	64	-	62	2
Diagnostic Laboratory Program	278	-	277	1
Milk & Egg Program	171	-	171	-
Meat Inspection Program	302	-	253	49
Total Agency	\$ 815	\$ -	\$ 763	\$ 52
DEPT NAT RESOURCE/CONSERVATION				
Centralized Services	1,318	-	1,259	59
Conservation/Resource Dev Div	38	-	28	10
Water Resources & Planning	2,374	-	2,345	29
Reserved Water Rights Comp Com	138	-	134	4
Energy Planning	482	-	481	1
Total Agency	\$ 4,350	\$ -	\$ 4,247	\$ 103
DEPARTMENT OF REVENUE				
Directors Office	927	-	891	36
Centralized Services Division	754	-	747	7
Data Processing Division	903	-	898	5
Income Tax	4,032	-	4,027	5
Corporation Tax	1,248	-	1,247	1
Property Valuation	33,389	-	32,297	1,092
Total Agency	\$ 41,253	\$ -	\$ 40,107	\$ 1,146
DEPARTMENT OF ADMINISTRATION				
Director's Office	313	-	285	28
Accounting Program	3,632	-	3,600	32
Accounting Program	-	15,693	14,962	731
Procurement & Printing Div.	424	-	418	6
Information Services Division	300	-	300	-
General Services Program	341	-	260	81
State Personnel Division	967	-	920	47
State Tax Appeal Board	371	-	335	36
Total Agency	\$ 6,348	\$ 15,693	\$ 21,080	\$ 961
LONG RANGE BUILDING PLAN				
University System	1,768	-	609	1,159
Total Agency	\$ 1,768	\$ -	\$ 609	\$ 1,159
DEPARTMENT OF AGRICULTURE				
Central Management Division	212	-	206	6
Ag & Bio Sciences Division	237	-	233	4
Plant Industry Division	474	-	473	1
Agricultural Development	227	-	223	4
Total Agency	\$ 1,150	\$ -	\$ 1,135	\$ 15
DEPT. CORRECTIONS & HUMAN SER				
Central Operations	1,874	-	1,759	115
Corrections Systems	25,745	-	25,083	662

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - General Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPT. CORRECTIONS & HUMAN SER				
Mental Health System	\$ 31,041	\$ -	\$ 31,030	\$ 11
Chemical Dependency System	242	-	242	-
Developmental Disability System	14,816	-	14,816	-
Veteran's Nursing Home Program	717	-	636	81
Total Agency	\$ 74,435	\$ -	\$ 73,566	\$ 869
DEPARTMENT OF COMMERCE				
Weight & Measures Bureau	508	-	483	25
Business Development Division	783	-	781	2
Business Development Division	-	65	65	-
Montana Promotion Division	644	-	-	644
Community Development Bureau	232	-	232	-
Office of Res. & Info Services	356	-	353	3
Local Gov't Services-Audit	-	91	91	-
Local Gov't Services-Systems	-	51	51	-
Building Codes Bureau	34	-	33	1
Indian Affairs Coordinator	118	-	104	14
Mt Science & Tech Alliance	468	-	454	14
Director/Management Services	97	-	94	3
Total Agency	\$ 3,240	\$ 207	\$ 2,741	\$ 706
LABOR & INDUSTRY				
Job Service Division	150	-	107	43
Employment Relations	423	-	417	6
Human Rights Commission	332	-	327	5
Job Training Grants	18	-	17	1
Total Agency	\$ 923	\$ -	\$ 868	\$ 55
ADJUTANT GENERAL				
Administration Program	378	-	373	5
Army National Guard Pgm	849	-	818	31
Air National Guard Pgm	195	-	189	6
Disaster Coordination Response	236	-	234	2
Veterans Affairs Program	543	-	534	9
Disaster Fund	681	-	311	370
Total Agency	\$ 2,882	\$ -	\$ 2,459	\$ 423
DEPT SOCIAL & REHAB SERVICES				
Family Assistance	17,598	-	17,450	148
Family Assistance	-	168	-	168
Administrative & Support Svs	964	-	951	13
State Assumed County Admin.	3,179	-	3,161	18
Medicaid Services	61,034	-	60,702	332
Audit and Pro. Compliance Div.	589	-	586	3
Office of Mgmt, Anal & Syst	2,182	-	2,176	6
Vocational Rehabilitation Pgm	1,197	-	1,180	17
Visual Services Prgm	295	-	289	6
Developmental Disab Program	11,909	-	11,805	104
Total Agency	\$ 98,947	\$ 168	\$ 98,300	\$ 815
DEPARTMENT OF FAMILY SERVICES				
Management Support	2,642	-	2,210	432
Regional Staff	6,629	-	6,623	6
Juvenile Corrections	6,222	-	6,210	12
Community & Protective Service	16,803	-	16,189	614
Total Agency	\$ 32,296	\$ -	\$ 31,232	\$ 1,064
AGENCY PROGRAM TOTALS				
	\$ 389,978	\$ 158,156	\$ 522,094	\$ 26,040
	=====	=====	=====	=====

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. A brief description of each Special Revenue Fund follows:

State - This fund accounts for money from State and other sources that are earmarked for the purpose of defraying particular costs of an agency, program or function.

Federal - This fund accounts for money from federal sources that is used for the operation of State government.

STATE OF MONTANA
Combining Balance Sheet
Special Revenue Funds
June 30, 1992
(Expressed in Thousands)

	TOTALS - JUNE 30			
	STATE	FEDERAL	1992	1991
ASSETS:				
Cash/Cash Equivalents	\$ 141,456	\$ 41,942	\$ 183,398	\$ 210,129
Receivables (Net)	50,688	2,952	53,640	29,037
Interfund Loans Receivable	71,099	-	71,099	44,430
Due from Other Governments	9,311	80,102	89,413	95,920
Due from Other Funds	21,223	4,425	25,648	47,427
Inventories	18,542	4	18,546	17,856
Long-Term Notes/Loans Receivable	7,633	834	8,467	7,975
Investments	1,498	5,989	7,487	3,901
Other Assets	1,548	508	2,056	1,944
TOTAL ASSETS	\$ 322,998	\$ 136,756	\$ 459,754	\$ 458,619
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 43,105	\$ 46,533	\$ 89,638	\$ 65,143
Interfund Loans Payable	30,491	32,136	62,627	83,188
Advances from Other Funds	-	515	515	-
Due to Other Governments	1,512	2,627	4,139	2,745
Due to Other Funds	20,387	11,134	31,521	29,631
Deferred Revenue	12,704	19,337	32,041	25,765
Property Held in Trust	1,759	27	1,786	1,613
Total Liabilities	109,958	112,309	222,267	208,085
Fund Balances:				
Reserved For:				
Encumbrances	12,679	4,443	17,122	22,844
Inventories	18,542	4	18,546	17,856
Long-Term Loans	7,633	834	8,467	7,975
Trusts/Endowments	-	3,641	3,641	3,348
Unreserved	174,186	15,525	189,711	198,511
Total Fund Balances	213,040	24,447	237,487	250,534
TOTAL LIABILITIES/FUND BALANCES	\$ 322,998	\$ 136,756	\$ 459,754	\$ 458,619

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	TOTALS YEAR ENDED JUNE 30			
	STATE	FEDERAL	1992	1991
REVENUES:				
Licenses/Permits	\$ 60,075	\$ -	\$ 60,075	\$ 53,976
Taxes:				
Gas/Oil/Coal Production	49,220	-	49,220	58,742
Individual Income	81,618	-	81,618	115,934
Corporate Income	20,113	-	20,113	27,057
Other	342,848	-	342,848	328,826
Charges for Services/Fines/Forfeits	28,295	2,424	30,719	23,330
Investment Earnings	2,980	1,829	4,809	5,233
Sale of Documents/Mdse./Property	16,228	4	16,232	15,477
Rentals/Leases/Royalties	200	-	200	229
Contributions/Premiums	127	3,228	3,355	4,113
Grants/Contracts/Donations	3,304	306	3,610	6,995
Federal	21,804	562,944	584,748	531,770
Federal Indirect Cost Recoveries	17	1,383	1,400	1,608
Other Revenues	1,323	327	1,650	1,276
Total Revenues	628,152	572,445	1,200,597	1,174,566
Intrafund Revenues	(9,430)	(771)	(10,201)	(45,642)
Net Revenues	618,722	571,674	1,190,396	1,128,924
EXPENDITURES:				
Current:				
General Government	56,672	319	56,991	53,832
Public Safety/Corrections	42,655	10,286	52,941	43,165
Transportation	147,834	137,365	285,199	279,842
Health/Social Services	36,760	325,352	362,112	326,225
Education/Cultural	369,503	14,549	384,052	383,550
Resource Development/Recreation	35,603	17,024	52,627	48,524
Economic Development/Assistance	14,904	61,403	76,307	79,891
Debt Service:				
Principal Retirement	19	20	39	86
Interest/Fiscal Charges	363	3	366	402
Capital Outlay	11,994	4,687	16,681	17,292
Total Expenditures	716,307	571,008	1,287,315	1,232,809
Intrafund Expenditures	(9,430)	(771)	(10,201)	(45,642)
Net Expenditures	706,877	570,237	1,277,114	1,187,167
Excess of Revenues Over (Under) Expenditures	(88,155)	1,437	(86,718)	(58,243)
OTHER FINANCING SOURCES (USES):				
Loan Proceeds	-	1,275	1,275	118
Bond Proceeds	-	-	-	3,345
Proceeds of Refunding Bonds	21,735	-	21,735	9,625
Inception of Lease/Installment Contract	136	-	136	22
General Fixed Asset Sale Proceeds	40	-	40	80
Operating Transfers In	90,317	436	90,753	65,607
Operating Transfers Out	(60,543)	(6,491)	(67,034)	(49,670)
Total Other Financing Sources (Uses)	51,685	(4,780)	46,905	29,127
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(36,470)	(3,343)	(39,813)	(29,116)
Cum Eff of Chg in Acctg Prin.	35,318	-	35,318	-
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses After Cumulative Effect	(1,152)	(3,343)	(4,495)	(29,116)
FUND BALANCES - JULY 1 - As Previously Reported				
	217,428	33,104	250,532	286,184
Prior Period Adjustments	4,111	(3,203)	908	(2,157)
FUND BALANCES - July 1 - As Restated	221,539	29,901	251,440	284,027
Increase (Decrease) in Inventories	690	-	690	77
Residual Equity Transfers	(8,037)	(2,111)	(10,148)	(4,454)
FUND BALANCES - JUNE 30	\$ 213,040	\$ 24,447	\$ 237,487	\$ 250,534

STATE OF MONTANA

Schedule of Revenues, Expenditures, Other Financing Sources (Uses)
Budget and Actual with Reconciliation of Unreserved Fund Balance per the
Statewide Budgeting and Accounting System (SBAS) to Budget Basis Statement in the GPFS
Special Revenue Funds

For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	STATE SPECIAL REVENUE FUND			FEDERAL SPECIAL REVENUE FUND			TOTALS YEAR ENDED JUNE 30		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES:									
Licenses/Permits	\$ 58,038	\$ 60,075	\$ 2,037	\$ -	\$ -	\$ -	\$ 58,038	\$ 60,075	\$ 2,037
Taxes:									
Gas/Oil/Coal Production	51,023	49,220	(1,803)	-	-	-	51,023	49,220	(1,803)
Individual Income	96,466	81,618	(14,848)	-	-	-	96,466	81,618	(14,848)
Corporate Income	19,597	20,113	516	-	-	-	19,597	20,113	516
Other Taxes	332,624	342,848	10,224	-	-	-	332,624	342,848	10,224
Charges for Services/Fines/Forfeits	34,062	28,295	(5,767)	2,017	2,424	407	36,079	30,719	(5,360)
Investment Earnings	2,717	2,980	263	1,932	1,829	(103)	4,649	4,809	160
Sale of Documents/Merchandise/Property	19,895	16,228	(3,667)	10	4	(6)	19,905	16,232	(3,673)
Rentals/Leases/Royalties	245	200	(45)	-	-	-	245	200	(45)
Contributions/Premiums	320	127	(193)	3,743	3,228	(515)	4,063	3,355	(708)
Grants/Contracts/Donations	6,626	3,304	(3,322)	266	306	40	6,892	3,610	(3,282)
Federal	26,499	21,805	(4,694)	630,079	562,943	(67,136)	656,578	584,748	(71,830)
Federal Indirect Cost Recoveries	5	17	12	1,470	1,383	(87)	1,475	1,400	(75)
Other Revenues	1,106	1,323	217	181	327	146	1,287	1,650	363
Total Revenues	649,223	628,153	(21,070)	639,698	572,444	(67,254)	1,288,921	1,200,597	(88,324)
EXPENDITURES:									
Current:									
General Government	70,957	56,970	13,987	27,601	318	27,283	98,558	57,288	41,270
Public Safety/Corrections	45,469	42,646	2,823	12,372	10,122	2,250	57,841	52,768	5,073
Transportation	158,974	149,521	9,453	146,975	137,645	9,330	305,949	287,166	18,783
Health/Social Services	45,897	36,986	8,911	345,456	326,674	18,782	391,353	363,660	27,693
Education/Cultural	374,122	369,532	4,590	22,679	14,664	8,015	396,801	384,196	12,605
Resource Development/Recreation	60,506	33,498	27,008	31,794	16,442	15,352	92,300	49,940	42,360
Economic Development/Assistance	19,089	14,980	4,109	75,851	61,209	14,642	94,940	76,189	18,751
Debt Service:									
Principal Retirement	19	19	-	25	25	-	44	44	-
Interest/Fiscal Charges	364	364	-	3	3	-	367	367	-
Capital Outlay	11,410	11,547	(137)	3,723	3,648	75	15,133	15,195	(62)
Total Expenditures	786,807	716,063	70,744	666,479	570,750	95,729	1,453,286	1,286,813	166,473
Excess of Revenues Over (Under) Expenditures	(137,584)	(87,910)	49,674	(26,781)	1,694	28,475	(164,365)	(86,216)	78,149
OTHER FINANCING SOURCES (USES):									
Loan Proceeds	-	-	-	2,775	1,275	(1,500)	2,775	1,275	(1,500)
General Fixed Asset Sale Proceeds	17	40	23	-	-	-	17	40	23
Operating Transfers In	119,941	97,011	(22,930)	7,236	4,153	(3,083)	127,177	101,164	(26,013)
Operating Transfers Out	(80,639)	(73,768)	6,871	(8,332)	(6,531)	1,801	(88,971)	(80,299)	8,672
Total Other Financing Sources (Uses)	39,319	23,283	(16,036)	1,679	(1,103)	(2,782)	40,998	22,180	(18,818)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (Budgetary Basis)	(98,265)	(64,627)	33,638	(25,102)	591	25,693	(123,367)	(64,036)	59,331
RECONCILIATION OF BUDGETARY/GAAP REPORTING:									
1. Adjust expenditures for encumbrances.	-	(1,260)	(1,260)	-	(5,206)	(5,206)	-	(6,466)	(6,466)
2. Adjustments for appropriated loans/ other nonbudgeted activity.	-	29,416	29,416	-	1,270	1,270	-	30,686	30,686
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses (GAAP Basis)	(98,265)	(36,471)	61,794	(25,102)	(3,345)	21,757	(123,367)	(39,816)	83,551
Unreserved Fund Balances - July 1	179,163	179,163	-	19,348	19,348	-	198,511	198,511	-
Residual Equity Transfers	16,963	(8,037)	(25,000)	(2,111)	(2,111)	-	14,852	(10,148)	(25,000)
Prior Period Adjustments	-	4,111	4,111	-	(3,203)	(3,203)	-	908	908
Cum Effect of Acctg Change	-	35,318	35,318	-	-	-	-	35,318	35,318
Decrease (Increase):									
Encumbrances Reserve	-	605	605	-	5,118	5,118	-	5,723	5,723
Long-Term Loans Reserve	-	(503)	(503)	-	11	11	-	(492)	(492)
Trusts/Endowments Reserve	-	-	-	-	(293)	(293)	-	(293)	(293)
Unreserved Fund Balances - June 30	\$ 97,861	\$ 174,186	\$ 76,325	\$ (7,865)	\$ 15,525	\$ 23,390	\$ 89,996	\$ 189,711	\$ 99,715

STATE OF MONTANA
Schedule of Expenditures and Transfers Out
Budget and Actual (Budget Basis) - State Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
LEGISLATIVE AUDITOR				
Audit & Examination Program	\$ 1,353	\$ -	\$ 1,330	\$ 23
Total Agency	\$ 1,353	\$ -	\$ 1,330	\$ 23
LEGISLATIVE COUNCIL				
Interim Studies & Conferences	90	-	29	61
Legislative Council	1,052	-	1,052	-
Total Agency	\$ 1,142	\$ -	\$ 1,081	\$ 61
ENVIRONMENTAL QUALITY COUNCIL				
Environmental Quality Program	31	-	-	31
Water Policy Committee	25	-	11	14
Total Agency	\$ 56	\$ -	\$ 11	\$ 45
CONSUMER COUNSEL				
Administration Program	920	-	622	298
Total Agency	\$ 920	\$ -	\$ 622	\$ 298
JUDICIARY				
District Court Operations	565	-	532	33
Water Courts Supervision	498	-	496	2
Total Agency	\$ 1,063	\$ -	\$ 1,028	\$ 35
MT CHIROPRACTIC LEGAL PANEL				
Legal Panel Operations	13	-	9	4
Total Agency	\$ 13	\$ -	\$ 9	\$ 4
GOVERNORS OFFICE				
Executive Office Program	84	-	16	68
Air Transportation Program	10	-	2	8
Lt. Governor	6	-	-	6
Total Agency	\$ 100	\$ -	\$ 18	\$ 82
SECRETARY OF STATES OFFICE				
Administrative Code Program	185	-	183	2
Total Agency	\$ 185	\$ -	\$ 183	\$ 2
STATE AUDITORS OFFICE				
State Payroll	365	-	363	2
Local Assistance Distributions	6,600	-	6,516	84
Pension Adj Retired Firemen	1,012	-	1,012	-
Fiscal Control and Management	147	-	147	-
Total Agency	\$ 8,124	\$ -	\$ 8,038	\$ 86

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - State Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
OFFICE OF PUBLIC INSTRUCTION				
OPI Administration	\$ 757	\$ -	\$ 621	\$ 136
OPI Administration	-	40	40	-
Distribution to Public Schools	370,404	-	367,259	3,145
Total Agency	\$ 371,161	\$ 40	\$ 367,920	\$ 3,281
CRIME CONTROL DIVISION				
Justice System Support Service	665	-	618	47
Total Agency	\$ 665	\$ -	\$ 618	\$ 47
HIGHWAY TRAFFIC SAFETY				
Highway Traffic Safety Div	79	-	73	6
Total Agency	\$ 79	\$ -	\$ 73	\$ 6
DEPARTMENT OF JUSTICE				
Legal Services Division	382	-	382	-
Gambling Control Division	24,011	-	22,723	1,288
Motor Vehicle Division	132	-	122	10
Highway Patrol Division	11,788	-	11,749	39
Law Enforcement Services Div	364	-	361	3
Central Services Division	979	-	879	100
Data Processing Division	249	-	249	-
Forensic Science Division	250	-	250	-
Total Agency	\$ 38,155	\$ -	\$ 36,715	\$ 1,440
BOARD OF PUBLIC EDUCATION				
Administration	7	-	7	-
Advisory Council	155	-	77	78
Total Agency	\$ 162	\$ -	\$ 84	\$ 78
COMMISSIONER OF HIGHER ED				
Administration Program	22	-	22	-
Administration Program	-	8	8	-
Vo-Tech Approp. Distrib.	-	965	965	-
Appropriation Distribution	-	12,587	12,305	282
Total Agency	\$ 22	\$ 13,560	\$ 13,300	\$ 282
SCHOOL FOR THE DEAF & BLIND				
Education	190	-	190	-
Total Agency	\$ 190	\$ -	\$ 190	\$ -
MONTANA ARTS COUNCIL				
Promotion of the Arts	1,538	-	668	870
Total Agency	\$ 1,538	\$ -	\$ 668	\$ 870
LIBRARY COMMISSION				
State Library Operations	215	-	177	38
Natural Resource Info Services	699	-	542	157
Total Agency	\$ 914	\$ -	\$ 719	\$ 195

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - State Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
HISTORICAL SOCIETY				
Administration Program	\$ 164	\$ -	\$ 119	\$ 45
Library Program	77	-	33	44
Museum Program	19	-	4	15
Historical Sites Preservation	60	-	2	58
Total Agency	\$ 320	\$ -	\$ 158	\$ 162
DEPT OF FISH, WILDLIFE & PARKS				
Administration & Finance Div.	2,346	-	2,324	22
Administration & Finance Div.	-	144	144	-
Field Services & R-8 Division	1,855	-	1,713	142
Fisheries Division	2,960	-	2,824	136
Law Enforcement Division	4,677	-	4,592	85
Wildlife Division	5,349	-	3,642	1,707
Parks Division	3,715	-	3,433	282
Capital Outlay	9,080	-	948	8,132
Capital Outlay	-	506	504	2
Conservation Education Div	1,539	-	1,365	174
Department Management	1,955	-	1,810	145
Total Agency	\$ 33,476	\$ 650	\$ 23,299	\$ 10,827
DEPT HEALTH & ENVIRON SCIENCES				
Central Services	1,186	-	1,157	29
Environmental Sciences	7,184	-	3,713	3,471
Solid/Hazardous Waste	5,131	-	3,088	2,043
Water Quality	1,311	-	858	453
Health Services/Medical Fac	193	-	48	145
Family/MCH Bureau	201	-	139	62
Preventive Health Bureau	60	-	34	26
Petro Tank Release Comp Board	4,400	-	2,269	2,131
Total Agency	\$ 19,666	\$ -	\$ 11,306	\$ 8,360
DEPARTMENT OF TRANSPORTATION				
General Operations Program	21,984	-	21,815	169
Construction Program	63,978	-	60,031	3,947
Maintenance Program	49,745	-	47,662	2,083
Interfund Transfers Program	-	27,464	23,430	4,034
Stores Inventory	15,261	-	14,228	1,033
G.V.W.	3,973	-	3,715	258
Aeronautics Program	840	-	682	158
Aeronautics Program	-	10	7	3
Rail & Transit Program	1,979	-	163	1,816
Total Agency	\$ 157,760	\$ 27,474	\$ 171,733	\$ 13,501
DEPARTMENT OF STATE LANDS				
Central Management Program	140	-	126	14
Reclamation Program	5,345	-	1,308	4,037
Reclamation Program	-	2	2	-
Land Administration Pgm	340	-	242	98
Forestry	3,478	-	2,909	569
Total Agency	\$ 9,303	\$ 2	\$ 4,587	\$ 4,718
DEPARTMENT OF LIVESTOCK				
Centralized Services Program	420	-	420	-
Diagnostic Laboratory Program	519	-	519	-
Disease Control Program	542	-	491	51
Inspection & Control Program	2,264	-	2,204	60
Predatory Animal Control Pgm	397	-	349	48
Rabies Control	15	-	14	1
Total Agency	\$ 4,157	\$ -	\$ 3,997	\$ 160

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - State Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPT NAT RESOURCE/CONSERVATION				
Centralized Services	\$ 416	\$ -	\$ 411	\$ 5
Oil & Gas Regulation	2,187	-	904	1,283
Conservation/Resource Dev Div	7,146	-	1,892	5,254
Conservation/Resource Dev Div	-	22,107	21,368	739
Water Resources & Planning	5,861	-	3,380	2,481
Reserved Water Rights Comp Com	270	-	269	1
Energy Planning	1,808	-	406	1,402
Total Agency	\$ 17,688	\$ 22,107	\$ 28,630	\$ 11,165
DEPARTMENT OF REVENUE				
Directors Office	8	-	7	1
Centralized Services Division	2,825	-	2,691	134
Data Processing Division	85	-	85	-
Income Tax	398	-	393	5
Corporation Tax	49,660	-	45,746	3,914
Total Agency	\$ 52,976	\$ -	\$ 48,922	\$ 4,054
DEPARTMENT OF ADMINISTRATION				
Director's Office	12	-	-	12
Accounting Program	-	494	494	-
Arch & Engineering Pgm	756	-	725	31
Information Services Division	1,719	-	1,628	91
Information Services Division	-	89	86	3
State Personnel Division	10	-	3	7
Risk Management & Tort Defense	700	-	657	43
Total Agency	\$ 3,197	\$ 583	\$ 3,593	\$ 187
STATE COMP. MUTUAL INS. FUND				
St. Compensation Mutual Ins. F	27	-	11	16
St. Compensation Mutual Ins. F	-	16,090	14,344	1,746
Total Agency	\$ 27	\$ 16,090	\$ 14,355	\$ 1,762
LONG RANGE BUILDING PLAN				
Departments & Agencies	10,804	-	1,285	9,519
Total Agency	\$ 10,804	\$ -	\$ 1,285	\$ 9,519
DEPARTMENT OF AGRICULTURE				
Central Management Division	190	-	179	11
State Grain Laboratory	524	-	379	145
Ag & Bio Sciences Division	2,306	-	2,137	169
Plant Industry Division	150	-	136	14
Agricultural Development	1,977	-	1,662	315
Total Agency	\$ 5,147	\$ -	\$ 4,493	\$ 654
DEPT. CORRECTIONS & HUMAN SER				
Central Operations	44	-	44	-
Corrections Systems	1,363	-	801	562
Mental Health System	511	-	479	32
Chemical Dependency System	3,285	-	3,284	1
Developmental Disability Syste	102	-	79	23
Veteran's Nursing Home Program	1,277	-	1,275	2
Total Agency	\$ 6,582	\$ -	\$ 5,962	\$ 620

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - State Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project -----	Appropriated Expenditures -----	Appropriated Transfer Out -----	Actual -----	Variance (Unfavorable) -----
DEPARTMENT OF COMMERCE				
Public Safety Division	\$ 62	\$ -	\$ -	\$ 62
Financial Division	893	-	862	31
Milk Control Bureau	297	-	260	37
POL Bureau	2,443	-	2,224	219
Business Development Division	901	-	588	313
Montana Promotion Division	7,270	-	6,935	335
Community Development Bureau	3,570	-	1,917	1,653
Building Codes Bureau	1,485	-	1,459	26
Mt Science & Tech Alliance	2,125	-	658	1,467
Board of Horse Racing	277	-	188	89
Total Agency	\$ 19,323	\$ -	\$ 15,091	\$ 4,232
LABOR & INDUSTRY				
Employment Relations	1,650	-	1,538	112
Legal Services Division	259	-	245	14
Research, Safety and Training	824	-	816	8
Workers Compensation Judge	374	-	358	16
Total Agency	\$ 3,107	\$ -	\$ 2,957	\$ 150
ADJUTANT GENERAL				
Veterans Affairs Program	32	-	12	20
Total Agency	\$ 32	\$ -	\$ 12	\$ 20
DEPT SOCIAL & REHAB SERVICES				
Family Assistance	836	-	835	1
Eligibility Determination Pgm	2,700	-	2,665	35
Administrative & Support Svs	392	-	367	25
Child Support Enforcement	1,471	-	1,443	28
Medicaid Services	7,591	-	7,591	-
Medicaid Services	-	134	69	65
Audit and Pro. Compliance Div.	8	-	4	4
Office of Mgmt, Anal & Syst	706	-	690	16
Vocational Rehabilitation Pgm	692	-	658	34
Total Agency	\$ 14,396	\$ 134	\$ 14,322	\$ 208
DEPARTMENT OF FAMILY SERVICES				
Management Support	15	-	15	-
Regional Staff	964	-	964	-
Juvenile Corrections	326	-	320	6
Community & Protective Service	1,706	-	1,663	43
Total Agency	\$ 3,011	\$ -	\$ 2,962	\$ 49
AGENCY PROGRAM TOTALS				
	\$ 786,814	\$ 80,640	\$ 790,271	\$ 77,183
	=====	=====	=====	=====

STATE OF MONTANA
Schedule of Expenditures and Transfers Out
Budget and Actual (Budget Basis) - Federal Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project ~~~~~	Appropriated Expenditures ~~~~~	Appropriated Transfer Out ~~~~~	Actual ~~~~~	Variance (Unfavorable) ~~~~~
JUDICIARY				
HB 903 Automation	\$ 200	\$ -	\$ 16	\$ 184
Total Agency	\$ 200	\$ -	\$ 16	\$ 184
GOVERNORS OFFICE				
Executive Office Program	-	-	-	-
Northwest Regional Power Act	416	-	400	16
Citizens Advocate Office	15	-	14	1
Mental Dis Bd Visitors	50	-	41	9
Total Agency	\$ 481	\$ -	\$ 455	\$ 26
STATE AUDITORS OFFICE				
Forest Res & FPGA to Counties	10,000	-	9,109	891
Total Agency	\$ 10,000	\$ -	\$ 9,109	\$ 891
OFFICE OF PUBLIC INSTRUCTION				
OPI Administration	4,433	-	3,578	855
Distribution to Public Schools	9,215	-	4,388	4,827
Total Agency	\$ 13,648	\$ -	\$ 7,966	\$ 5,682
CRIME CONTROL DIVISION				
Justice System Support Service	4,372	-	3,640	732
Total Agency	\$ 4,372	\$ -	\$ 3,640	\$ 732
HIGHWAY TRAFFIC SAFETY				
Highway Traffic Safety Div	1,472	-	1,114	358
Total Agency	\$ 1,472	\$ -	\$ 1,114	\$ 358
DEPARTMENT OF JUSTICE				
Motor Vehicle Division	101	-	98	3
Highway Patrol Division	519	-	518	1
Law Enforcement Services Div	667	-	547	120
Law Enforcement Academy Div	13	-	13	-
Central Services Division	167	-	119	48
Total Agency	\$ 1,467	\$ -	\$ 1,295	\$ 172
PUBLIC SERVICE REGULATION				
Public Service Regulation Prog	26	-	25	1
Total Agency	\$ 26	\$ -	\$ 25	\$ 1
COMMISSIONER OF HIGHER ED				
Student Assistance Program	280	-	232	48
DDE Mathematics & Sci Ed Act	250	-	250	-
Talent Search	357	-	339	18
C.D. Perkins Admin	1,990	-	1,721	269
C.D. Perkins Admin	-	3,128	2,811	317
Guaranteed Student Loan Pgm	2,412	-	2,284	128
Total Agency	\$ 5,289	\$ 3,128	\$ 7,637	\$ 780

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Federal Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
SCHOOL FOR THE DEAF & BLIND				
Student Services	\$ 34	\$ -	\$ 34	\$ -
Education	138	-	136	2
Total Agency	\$ 172	\$ -	\$ 170	\$ 2
MONTANA ARTS COUNCIL				
Promotion of the Arts	1,100	-	572	528
Total Agency	\$ 1,100	\$ -	\$ 572	\$ 528
LIBRARY COMMISSION				
State Library Operations	1,650	-	642	1,008
Natural Resource Info Services	216	-	141	75
Natural Resource Info Services	-	117	-	117
Total Agency	\$ 1,866	\$ 117	\$ 783	\$ 1,200
MONTANA COUNCIL ON VOCATIONAL				
Administration Program	175	-	149	26
Total Agency	\$ 175	\$ -	\$ 149	\$ 26
HISTORICAL SOCIETY				
Administration Program	36	-	36	-
Museum Program	25	-	23	2
Publications	14	-	14	-
Historical Sites Preservation	598	-	381	217
Total Agency	\$ 673	\$ -	\$ 454	\$ 219
DEPT OF FISH, WILDLIFE & PARKS				
Administration & Finance Div.	684	-	609	75
Field Services & R-8 Division	363	-	299	64
Fisheries Division	3,843	-	3,296	547
Law Enforcement Division	226	-	192	34
Wildlife Division	3,611	-	3,046	565
Parks Division	926	-	127	799
Capital Outlay	260	-	70	190
Capital Outlay	-	386	385	1
Conservation Education Div	217	-	205	12
Department Management	800	-	667	133
Total Agency	\$ 10,930	\$ 386	\$ 8,896	\$ 2,420
DEPT HEALTH & ENVIRON SCIENCES				
Director's Office	96	-	73	23
Central Services	243	-	217	26
Environmental Sciences	1,269	-	1,156	113
Solid/Hazardous Waste	8,038	-	3,025	5,013
Water Quality	4,555	-	2,567	1,988
Health Services/Medical Fac	914	-	427	487
Family/MCH Bureau	19,172	-	18,577	595
Preventive Health Bureau	1,981	-	1,499	482
Health Facilities Division	1,910	-	1,711	199
Total Agency	\$ 38,178	\$ -	\$ 29,252	\$ 8,926
DEPARTMENT OF TRANSPORTATION				
General Operations Program	775	-	758	17
Construction Program	144,082	-	135,735	8,347

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Federal Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPARTMENT OF TRANSPORTATION				
G.V.W.	\$ 167	\$ -	\$ 149	\$ 18
Aeronautics Program	74	-	26	48
Rail & Transit Program	2,026	-	1,485	541
Total Agency	\$ 147,124	\$ -	\$ 138,153	\$ 8,971
DEPARTMENT OF STATE LANDS				
Central Management Program	217	-	117	100
Reclamation Program	8,722	-	3,051	5,671
Reclamation Program	-	8	8	-
Land Administration Pgm	30	-	14	16
Forestry	1,099	-	1,001	98
Total Agency	\$ 10,068	\$ 8	\$ 4,191	\$ 5,885
DEPARTMENT OF LIVESTOCK				
Centralized Services Program	39	-	39	-
Milk & Egg Program	32	-	32	-
Meat Inspection Program	305	-	253	52
Total Agency	\$ 376	\$ -	\$ 324	\$ 52
DEPT NAT RESOURCE/CONSERVATION				
Centralized Services	6	-	5	1
Oil & Gas Regulation	290	-	-	290
Conservation/Resource Dev Div	215	-	78	137
Water Resources & Planning	7,181	-	1,675	5,506
Energy Planning	2,457	-	1,412	1,045
Total Agency	\$ 10,149	\$ -	\$ 3,170	\$ 6,979
DEPARTMENT OF REVENUE				
Directors Office	176	-	151	25
Corporation Tax	140	-	140	-
Total Agency	\$ 316	\$ -	\$ 291	\$ 25
LONG RANGE BUILDING PLAN				
Departments & Agencies	24,498	-	1,124	23,374
Institutions	3,699	-	-	3,699
Total Agency	\$ 28,197	\$ -	\$ 1,124	\$ 27,073
DEPARTMENT OF AGRICULTURE				
Central Management Division	59	-	49	10
Ag & Bio Sciences Division	750	-	414	336
Plant Industry Division	9	-	4	5
Agricultural Development	96	-	56	40
Total Agency	\$ 914	\$ -	\$ 523	\$ 391
DEPT. CORRECTIONS & HUMAN SER				
Central Operations	9	-	9	-
Corrections Systems	577	-	382	195
Mental Health System	2,127	-	1,732	395
Chemical Dependency System	3,529	-	3,277	252
Developmental Disability System	18	-	18	-
Veteran's Nursing Home Program	851	-	849	2
Total Agency	\$ 7,111	\$ -	\$ 6,267	\$ 844

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Federal Special Revenue Fund
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPARTMENT OF COMMERCE				
Business Development Division	\$ 2,752	\$ -	\$ 1,658	\$ 1,094
Community Development Bureau	25,839	-	15,439	10,400
Indian Affairs Coordinator	103	-	63	40
Mt Science & Tech Alliance	50	-	25	25
Total Agency	\$ 28,744	\$ -	\$ 17,185	\$ 11,559
LABOR & INDUSTRY				
Job Service Division	15,083	-	14,465	618
Unemployment Insurance	4,437	-	4,223	214
Commissioner's Office	22	-	8	14
Employment Relations	672	-	653	19
Legal Services Division	489	-	474	15
Research, Safety and Training	2,122	-	2,002	120
Human Rights Commission	201	-	180	21
Job Training Grants	15,027	-	13,864	1,163
Job Training Grants	-	1,268	496	772
Total Agency	\$ 38,053	\$ 1,268	\$ 36,365	\$ 2,956
ADJUTANT GENERAL				
Army National Guard Pgm	1,560	-	1,136	424
Air National Guard Pgm	1,532	-	1,473	59
Disaster Coordination Response	257	-	255	2
Emergency Mgmt Development	355	-	341	14
Local Reimbursement-DES	570	-	527	43
Veterans Affairs Program	37	-	22	15
Total Agency	\$ 4,311	\$ -	\$ 3,754	\$ 557
DEPT SOCIAL & REHAB SERVICES				
Family Assistance	51,958	-	50,753	1,205
Family Assistance	-	1,184	685	499
Eligibility Determination Pgm	2,582	-	2,550	32
Administrative & Support Svs	1,722	-	1,559	163
Child Support Enforcement	3,095	-	3,002	93
State Assumed County Admin.	3,044	-	3,031	13
Medicaid Services	183,906	-	181,287	2,619
Medicaid Services	-	2,043	1,978	65
Audit and Pro. Compliance Div.	814	-	809	5
Audit and Pro. Compliance Div.	-	198	166	32
Office of Mgmt, Anal & Syst	5,279	-	5,174	105
Vocational Rehabilitation Pgm	7,316	-	6,722	594
Disability Determination Pgm	2,847	-	2,845	2
Visual Services Prgm	1,109	-	1,092	17
Developmental Disab Program	19,031	-	17,961	1,070
Develope Disab Advis Council	420	-	391	29
Total Agency	\$ 283,123	\$ 3,425	\$ 280,005	\$ 6,543
DEPARTMENT OF FAMILY SERVICES				
Management Support	5,394	-	5,030	364
Regional Staff	4,045	-	3,765	280
Juvenile Corrections	452	-	420	32
Community & Protective Service	8,051	-	5,914	2,137
Total Agency	\$ 17,942	\$ -	\$ 15,129	\$ 2,813
AGENCY PROGRAM TOTALS	\$ 666,477	\$ 8,332	\$ 578,014	\$ 96,795
	=====	=====	=====	=====

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest. A brief description of each Debt Service Fund follows:

Coal Tax Bonds - Moneys in this fund are pledged for the payment of principal and interest on all State of Montana coal severance tax bonds.

Long-Range Building Program - This fund accounts for the payment of all long-range building program bonds and interest.

Water Development - This fund accounts for coal severance taxes pledged to retire bonds sold to make loans/grants for water development projects and activities, as prioritized by the Legislature.

Highway Revenue Bonds - This fund accounts for gasoline taxes pledged for payment of principal and interest on bonds issued for the purpose of constructing highways in Montana.

Transportation Building Complex - This fund accounts for gasoline taxes pledged for the payment of principal and interest on bonds issued for the purpose of acquiring a site and erecting and equipping the headquarter's building complex for the Montana Department of Transportation.

Airport Bonds - This fund accounts for the 1983 "B" bonds that are used to retire the balance of unloaned airport bonds.

Department of Social and Rehabilitation Services (SRS) Building - The building occupied by SRS is owned by the Teachers' Retirement System and is leased to the State through a lease-purchase agreement. This fund accounts for the lease payments to the retirement system.

Renewable Resource - This fund accounts for coal severance taxes pledged to retire bonds that were sold to provide funds to finance renewable resource projects.

Water Conservation Bonds - This fund accounts for Water Conservation Bonds issued for four projects: Sidney, Little Dry, South Side Canal and Petrolia.

STATE OF MONTANA
Combining Balance Sheet
Debt Service Funds
June 30, 1992
(Expressed in Thousands)

	COAL TAX BONDS	LONG- RANGE BUILDING PROGRAM	WATER DEVELOP- MENT	HIGHWAY REVENUE BONDS	TRANS BLOG COMPLEX	AIRPORT BONDS	SRS BLOG	RENEW- ABLE RESOURCE	WATER CONSER- VATION BONDS	TOTALS - JUNE 30 -----	
										1992	1991
ASSETS:											
Cash/Cash Equivalents	\$ 9,986	\$ 10,670	\$ 665	\$ 5,109	\$ 675	\$ 201	\$ 31	\$ 177	\$ 1	\$ 27,515	\$ 36,456
Receivables (Net)	5,809	5,093	234	78	-	-	-	50	-	11,264	2,581
Due from Other Funds	5,287	31	1	-	2	1	-	-	-	5,322	70
Long-Term Notes/Loans Receivable	22,234	-	12,403	-	-	-	-	-	339	34,976	29,314
Investments	1,645	-	-	4,976	-	-	-	-	-	6,621	4,945
Other Assets	-	-	-	-	-	-	45	-	-	45	45
TOTAL ASSETS	\$ 44,961	\$ 15,794	\$ 13,303	\$ 10,163	\$ 677	\$ 202	\$ 76	\$ 227	\$ 340	\$ 85,743	\$ 73,411
LIABILITIES/FUND BALANCES:											
Liabilities:											
Accounts Payable	\$ -	\$ 2,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,781	\$ 986
Interfund Loans Payable	21	-	-	-	-	-	-	-	-	21	-
Due to Other Funds	4	538	-	122	47	-	-	-	-	711	5,337
Deferred Revenue	-	1,151	-	-	-	-	-	-	-	1,151	711
Total Liabilities	25	4,470	-	122	47	-	-	-	-	4,664	7,034
Fund Balances:											
Reserved for Long-Term Loans	22,234	-	12,403	-	-	-	-	-	339	34,976	29,314
Reserved for Debt Service	22,702	11,324	900	10,041	630	202	76	227	1	46,103	37,063
Total Fund Balances	44,936	11,324	13,303	10,041	630	202	76	227	340	81,079	66,377
TOTAL LIABILITIES/FUND BALANCES	\$ 44,961	\$ 15,794	\$ 13,303	\$ 10,163	\$ 677	\$ 202	\$ 76	\$ 227	\$ 340	\$ 85,743	\$ 73,411

STATE OF MONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Debt Service Funds
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	COAL TAX BONDS	LONG- RANGE BUILDING PROGRAM	WATER DEVELOP- MENT	HIGHWAY REVENUE BONDS	TRANS BLDG COMPLEX	AIRPORT BONDS	SRS BLDG	RENEW- ABLE RESOURCE	WATER CONSER- VATION BONDS	TOTALS YEAR ENDED JUNE 30	
										1992	1991
REVENUES:											
Taxes:											
Gas/Oil/Coal Production	\$ 21,075	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 21,475	\$ 25,707
Individual Income	-	24,536	-	-	-	-	-	-	-	24,536	24,744
Corporate Income	-	5,517	-	-	-	-	-	-	-	5,517	6,941
Cigarette/Tobacco	-	9,743	-	-	-	-	-	-	-	9,743	9,313
Charges for Services/Fines/Forfeits	-	-	43	-	-	-	197	-	-	240	198
Investment Earnings	1,962	-	557	514	46	11	-	-	15	3,105	3,388
Federal	-	100	-	-	-	-	-	-	-	100	150
Sale of Documents/Mdse./Property	1,699	-	-	-	-	-	-	-	-	1,699	1,483
Other Revenues	-	615	-	-	-	-	-	-	-	615	627
Total Revenues	24,736	40,511	800	514	46	11	197	200	15	67,030	72,551
Intrafund Revenues	-	-	(17)	-	-	-	-	-	-	(17)	(374)
Net Revenues	24,736	40,511	783	514	46	11	197	200	15	67,013	72,177
EXPENDITURES:											
General Government	-	1	-	-	-	-	11	-	-	12	45
Transportation	-	-	-	2,120	-	-	-	-	-	2,120	-
Resource Development/Recreation	273	-	-	-	-	-	-	-	-	273	-
Debt Service:											
Principal Retirement	23,350	8,905	445	-	480	-	115	125	14	33,434	12,428
Interest/Fiscal Charges	4,152	4,920	504	10,041	134	-	63	58	14	19,886	20,303
Total Expenditures	27,775	13,826	949	12,161	614	-	189	183	28	55,725	32,776
Intrafund Expenditures	-	-	(17)	-	-	-	-	-	-	(17)	(374)
Net Expenditures	27,775	13,826	932	12,161	614	-	189	183	28	55,708	32,402
Excess of Revenues Over (Under) Expenditures	(3,039)	26,685	(149)	(11,647)	(568)	11	8	17	(13)	11,305	39,775
OTHER FINANCING SOURCES (USES):											
Payments to Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-	-	(9,625)
Operating Transfers In	23,353	14,460	74	11,519	494	-	-	-	-	49,900	35,716
Operating Transfers Out	(19,181)	(43,600)	(321)	-	-	(61)	-	(29)	-	(63,192)	(67,836)
Total Other Financing Sources (Uses)	4,172	(29,140)	(247)	11,519	494	(61)	-	(29)	-	(13,292)	(41,745)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	1,133	(2,455)	(396)	(128)	(74)	(50)	8	(12)	(13)	(1,987)	(1,970)
Cum Eff of Chg in Acctg Prin.	-	3,535	-	-	-	-	-	-	-	3,535	-
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses After Cumulative Effect	1,133	1,080	(396)	(128)	(74)	(50)	8	(12)	(13)	1,548	(1,970)
FUND BALANCES - July 1 - As Previously Reported	37,564	10,175	6,911	10,169	704	252	68	182	353	66,378	64,989
Prior Period Adjustments	5,981	69	57	-	-	-	-	57	-	6,164	17
FUND BALANCES - July 1 - As Restated	43,545	10,244	6,968	10,169	704	252	68	239	353	72,542	65,006
Residual Equity Transfers	258	-	6,731	-	-	-	-	-	-	6,989	3,341
FUND BALANCES - June 30	\$ 44,936	\$ 11,324	\$ 13,303	\$ 10,041	\$ 630	\$ 202	\$ 76	\$ 227	\$ 340	\$ 81,079	\$ 66,377

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major governmental general fixed assets. A brief description of each Capital Projects Fund follows:

Long-Range Building Program - This fund is maintained to account for resources received and expended for the State's long-range building program. The long-range building program includes costs for the acquisition, construction and improvement of major fixed assets financed by general obligation bonds and interest earned on bond proceeds.

Federal/Private Construction Grants - This fund accounts for federal grants, private donations and federal matching funds that are restricted to general fixed asset construction.

Capital Land Grant - This fund accounts for revenues and expenditures from the capital land grant. Revenues are dedicated for the purpose of constructing capital buildings or additions thereto. Revenues may be transferred to a Debt Service Fund for the payment of principal and interest on bonds issued for capital building construction.

STATE OF MONTANA
Combining Balance Sheet
Capital Projects Funds
June 30, 1992
(Expressed in Thousands)

	FEDERAL/ PRIVATE			TOTALS - JUNE 30	
	LONG-RANGE BUILDING	CONSTRUCTION GRANTS	CAPITAL LAND GRANT	1992	1991
ASSETS:					
Cash/Cash Equivalents	\$ 9,080	\$ 2	\$ -	\$ 9,082	\$ 8,984
Receivables (Net)	188	-	-	188	140
Interfund Loans Receivable	-	-	-	-	50
Due from Other Governments	-	-	-	-	2
Due from Other Funds	29	-	48	77	50
Long-Term Notes/Loans Receivable	10	-	4	14	27
Other Assets	-	7	4	11	11
TOTAL ASSETS	\$ 9,307	\$ 9	\$ 56	\$ 9,372	\$ 9,264
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 448	\$ -	\$ -	\$ 448	\$ 130
Interfund Loans Payable	134	-	-	134	50
Due to Other Funds	10	-	-	10	74
Deferred Revenue	10	-	-	10	20
Property Held in Trust	-	9	-	9	10
Total Liabilities	602	9	-	611	284
Fund Balances:					
Reserved for Encumbrances	4	-	-	4	-
Reserved for Long-Term Loans	10	-	4	14	27
Unreserved	8,691	-	52	8,743	8,953
Total Fund Balances	8,705	-	56	8,761	8,980
TOTAL LIABILITIES/FUND BALANCES	\$ 9,307	\$ 9	\$ 56	\$ 9,372	\$ 9,264

STATE OF MONTANA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Capital Projects Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	LONG-RANGE BUILDING	FEDERAL/ PRIVATE CONSTRUCTION GRANTS	CAPITAL LAND GRANT	TOTALS YEAR ENDED JUNE 30	
				1992	1991
REVENUES:					
Cigarette/Tobacco Tax	\$ 3,559	\$ -	\$ -	\$ 3,559	\$ 3,427
Charges for Services/Fines/Forfeits	139	-	-	139	63
Investment Earnings	477	-	-	477	630
Grants/Contracts/Donations	-	1	-	1	9
Federal	-	-	-	-	299
Other Revenues	35	-	-	35	26
Total Revenues	4,210	1	-	4,211	4,454
EXPENDITURES:					
Current:					
General Government	8	-	-	8	-
Resource Development/Recreation	58	-	-	58	25
Debt Service:					
Interest/Fiscal Charges	1	-	-	1	-
Capital Outlay	4,397	1	-	4,398	3,931
Total Expenditures	4,464	1	-	4,465	3,956
Excess of Revenues Over (Under) Expenditures	(254)	-	-	(254)	498
OTHER FINANCING SOURCES (USES):					
Operating Transfers In	-	-	881	881	1,061
Operating Transfers Out	(965)	-	(881)	(1,846)	(2,092)
Total Other Financing Sources (Uses)	(965)	-	-	(965)	(1,031)
Excess of Revenues/Other Sources Over (Under) Expenditures/Other Uses	(1,219)	-	-	(1,219)	(533)
FUND BALANCES - July 1 - As Previously Reported	8,925	-	56	8,981	9,513
Prior Period Adjustments	1,000	-	-	1,000	-
FUND BALANCES - July 1 - As Restated	9,925	-	56	9,981	9,513
Residual Equity Transfers	(1)	-	-	(1)	-
FUND BALANCES - June 30	\$ 8,705	\$ -	\$ 56	\$ 8,761	\$ 8,980

STATE OF MONTANA
Project-Length Schedule of Expenditures and Transfers Out
Budget and Actual (Budget Basis) - Capital Projects Fund Type
Beginning of Project to June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPT OF FISH, WILDLIFE & PARKS				
Fisheries Division	\$ 19	\$ -	\$ 18	\$ 1
Total Agency	\$ 19	\$ -	\$ 18	\$ 1
DEPARTMENT OF STATE LANDS				
Central Management Program	127	-	44	83
Total Agency	\$ 127	\$ -	\$ 44	\$ 83
DEPARTMENT OF ADMINISTRATION				
Accounting Program	-	850	826	24
Arch & Engineering Pgm	-	756	715	41
General Services Program	-	58	55	3
Total Agency	\$ -	\$ 1,664	\$ 1,596	\$ 68
LONG RANGE BUILDING PLAN				
State Nursing Home For Vets	1,992	-	88	1,904
Region 7 Hdqtrs-Miles City	950	-	879	71
Anaconda Hatchery	2,200	-	1,341	859
Arlee Hatchery	230	-	225	5
Lewistown Hatchery	163	-	163	-
1989 FW&P Go Bond Costs	45	-	37	8
Constr MDC-HB0963	8,665	-	-	8,665
Primary Elec Vault Disc. EMC	31	-	-	31
Install Fire Alarm Sys-UM	70	-	-	70
Rplc & Imprv Roofs Univ Sys	1,155	-	322	833
Imp Undrgrnd Util #1 Univ Sys	296	-	16	280
Rpr & Impr Htng Sys WMC	58	-	-	58
Impr Handicap Acc Univ Sys	335	-	2	333
Rplc Carpet-GF Vo-Tech	60	-	-	60
Imp Sidewlks/Fire Acc Univ Sys	86	-	-	86
Wndo Retro MUS Bldg Mt Tech	142	-	-	142
Prelim Design Eng/Phy Sci MSU	1,165	-	453	712
Cnstr Eng/Phy Sci Comp MSU	18,402	-	-	18,402
Prelim Design Bus Admin UM	605	-	177	428
Constr Bus Admin Bldg UM	13,023	-	-	13,023
Multipurpose Bldg N Ag Res Ctr	150	-	17	133
Hazardous Material Abatement	595	-	3	592
Construction Litigation A & E	345	-	330	15
Prop Acq & Dev-Cap Comp	20	-	-	20
Rplc Rf & Misc Rprs-MSDB	339	-	3	336
Expend Security Fnc-Phs	27	-	-	27
Rplc & Rpr Rfs-Fam Svcs	128	-	9	119
Kitchen Upgrade-Stwde	5	-	-	5
Rifle Range Rehab-Stwde	10	-	-	10
Armory Addn & Alter-Stwde	1	-	-	1
Acq Land & Preplan Armory-Blgs	150	-	-	150
Exp Military Veh Comp-Stwde	5	-	-	5
Libby Armory	400	-	-	400
Rplc Wtr & Stm Lns MDC	117	-	-	117
Replace Roofs-Prison	30	-	27	3
Moisture Prot Eastmont HSC	98	-	-	98
Mt State Hosp Infra Study	112	-	-	112
Seal Bldgs Mt State Prison	25	-	-	25
Bldg Improvements Ctr For Aged	105	-	-	105
Rplc Multi Bldg Flr Mt St Hosp	27	-	-	27
Galen Repair Projects	181	-	-	181
Prelim Design-Prison	878	-	215	663
Major Expan Mt State Prison	19,361	-	-	19,361
Constr Women's Corr Ctr	10,076	-	133	9,943
Const Fine Arts Facility-UM	7,500	-	7,500	-
Bond Payments-83 Series-FWP	-	41	41	-
Bond Payments-85 Series-FWP	-	197	197	-
Bond Payments-WMC	-	11	11	-

(Continued on Next Page)

STATE OF MONTANA
Project-Length Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Capital Projects Fund Type
Beginning of Project to June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
LONG RANGE BUILDING PLAN				
Repair NMC Gym	\$ 935	\$ -	\$ 87	\$ 848
Upgrade Water System-Prison	393	-	393	-
Expnd Museum of Rockies-MSU	6,000	-	5,160	840
Eng/Lab-Classroom Bldg-MCMST	1,124	-	1,124	-
'83 Energy Retrofit, Ph III-Adm	1,000	-	997	3
'83 Lnd Acq & Grnd Impr-Adm	124	-	124	-
Storm Drng Detention Bsn-Adm	245	-	245	-
'83 Gt Spr Hrtg St Pk Impr-FWP	75	-	75	-
Const Porte-Cochere-Ca	6	-	6	-
Industries Bldg-Prison	700	-	700	-
Forensic Bldg Imp & Addtn-Wm S	1,604	-	1,604	-
'83 Rf Rep & Mjr Mtncce-Univ.	1,494	-	1,494	-
Major Expansion-Prison	14,940	-	14,940	-
Const DNRC Bldg-Cap Cmplx	6,934	-	6,934	-
Engineering Lab/Clsrm Bldg-Mc	4,250	-	4,250	-
Controlled Environment Facilit	5,302	-	5,301	1
Const Fish Hatchery-Creston Sp	455	-	157	298
Renovate Fish Htchry-Gt Falls	1,900	-	1,900	-
Renovate Fish Htchry-Big Timbe	500	-	498	2
Excess Int.Earnings -81Bonds	-	6,000	5,739	261
Excess Int.Earnings-'83 Bonds	-	7,500	6,208	1,292
Fire Protection-Capitol Comple	361	-	361	-
Asbestos Survey & Abtmt-St-Wi	250	-	250	-
Sanitary Swr Expnsn-Prison	250	-	250	-
Forensic Bldg-Mt St Hosp	4,327	-	4,327	-
Remdl Ctge #16- BRSH	33	-	33	-
'85' Mtncce & Rep- Mont St Hosp	61	-	61	-
'85' Rf Rplcmnts-St Wide-Mil	293	-	243	50
Multiple Indr Frng Rngs-Mil	23	-	16	7
Armory Storage Addtns-St Wide-	35	-	28	7
Orgztnl Mtncce Shop-Chinook-Mil	23	-	23	-
Orgztnl Mtncce Shop-Billings-M	111	-	111	-
Orgztnl Mtncce Shop-Klspel-Mil	40	-	33	7
Orgztnl Mtncce Shop-Msla-Mil	25	-	6	19
Orgztnl Mtncce Shop-Belgrade-M	25	-	25	-
Orgztnl Mtncce Shop-Clbrtsn-Mi	25	-	9	16
'85' Pnt Shops & Armories-St W	67	-	60	7
'85' Roof Rplcmnts-MSU	191	-	160	31
Jhnsn/Wlsn Hall Brk Rep-MSU	2,036	-	2,010	26
Hlth & Safety Projects-UM	398	-	391	7
'85 Maj Mtncce & Rep-WMC	127	-	127	-
Elect Dstrbtn, Ph II-UM	550	-	546	4
Multiple Indr Frng Rngs-Mil	1,196	-	980	216
Armory Storage Addtns-St Wide-	506	-	504	2
Orgztnl Mtncce Shop-Chinook-Mi	474	-	474	-
Orgztnl Mtncce Shop-Billings-M	632	-	504	128
Orgztnl Mtncce Shop-Klspel-Mil	675	-	669	6
Orgztnl Mtncce Shop-Msla=Mil	675	-	675	-
Orgztnl Mtncce Shop-Belgrade-M	675	-	668	7
Orgztnl Mtncce Shop-Clbrtsn-Mi	675	-	675	-
'85' Pnt Shps & Armrs-St Wide-	72	-	34	38
Federal Contingency Funds-Mil	200	-	198	2
A&E Pre-Planning	200	-	182	18
Fish Hatchery Expnsn-Miles City	4,959	-	4,948	11
Washoe Park Trout Hatchery Rep	250	-	250	-
Upgrade Big Springs Trout Htch	300	-	300	-
Asbestos Abatement, Ph II-Adm	500	-	483	17
Replace Roofs-Cap. Complex-Adm	104	-	104	-
Hndcpped Modifications-Cap Com	236	-	235	1
Fire Protection, Ph II-Cap Cmp	50	-	48	2
Helena Job Service Addition-L&	250	-	250	-
Repair Projects-Stillwater-Lan	28	-	28	-
Replace Roof-Chinook Armory-Mi	45	-	26	19
Federal Spending Authority-Mil	300	-	256	44
Armory Storage Addtns-St Wide-	300	-	287	13
Correct Hlth, Sfty & Fume Syst	124	-	124	-
Eliminate Pcb-EMC	20	-	18	2
Reno Fire Alarm Systems-WMC	35	-	35	-
Reno Fire Alarm Systems-MSU	38	-	35	3

(Continued on Next Page)

STATE OF MONTANA
Project-Length Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Capital Projects Fund Type
Beginning of Project to June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
LONG RANGE BUILDING PLAN				
Impr Elect Dist, Ph I-MSU	\$ 1,169	\$ -	\$ 1,167	\$ 2
Water & Steam Mains-UM	168	-	168	-
Misc Roof Replacement-MCMST	227	-	219	8
Misc Roof Replacement-MSU	396	-	366	30
Reroof Math Science Building	16	-	9	7
Misc Roof Replacement-UM	168	-	167	1
Misc Roof Repair-WMC	25	-	25	-
Correct Life Safty Codes-Cttg	155	-	155	-
Repair Sewage Lagoon-MDC	49	-	49	-
Install Smoke Detectors-MSH	10	-	10	-
Rep Boiler & Mltiprps Roof-MSH	157	-	154	3
Reroof Bldg 104 & Laundry-MDC	140	-	140	-
Impr Hndcppd Access-MSH	131	-	131	-
Impr Hndcppd Acc & Install Fen	21	-	21	-
Drng Systm & Upgrade Phy Plnt-	34	-	34	-
Refurbish Water Towers-Statewi	50	-	20	30
Rem Cttges 16A, B, & C-MDC	1,038	-	1,035	3
Misc Repair Projects-MSH	61	-	43	18
Remodel Dining Room-MSH	100	-	94	6
Legal Fees & Costs-Prison	90	-	89	1
Roof Repair-Custer Lodge-PHS	155	-	144	11
Roof Repair-Academic Bldg-MSDB	6	-	6	-
Construct M-1 Bays-Statewide	30	-	11	19
Remodel Msla Armory & Do Study	12	-	-	12
Construct Livingston Armory	501	-	446	55
Lake Elmo Improvements	150	-	17	133
Major Maint-Water Mains-UM	130	-	130	-
Replace Roofs-UM	78	-	15	63
Electrical Distrib Sys-Ph II	1,153	-	1,153	-
Replace Roofs-MSU	151	-	141	10
Replace Roofs-EMC	244	-	207	37
Exterior Door & Vestibule-WMC	14	-	14	-
Window Retrofit-Eng Hall-Tech	132	-	132	-
Carpet Replac-Admin Bldg-Msla	67	-	67	-
Roof Replacement/Repair-MSH	120	-	97	23
Replace Hosp Foors-Galen-MSH	27	-	27	-
Code Deficiencies-Galen-MSH	12	-	12	-
Unit 57-Women's Corr Ctr-MSH	43	-	43	-
Boiler Rm Water Soft-Galen-MSH	45	-	2	43
Const Low Sec Housing Unit-MSP	1,185	-	1,168	17
MDC Supplemental Approp	290	-	240	50
Roof Replacement/Repair-MDC	232	-	232	-
Bldg Mod & Ext Light-Ctr Aged	45	-	-	45
Hazardous Material Abatement	200	-	79	121
Water Towers & Systems-Stwide	450	-	28	422
Physical Ed Bldg Roof Replace	230	-	5	225
Planning Remodel of Sub-WMC	50	-	29	21
Total Agency	\$ 171,066	\$ 13,749	\$ 100,726	\$ 84,089
AGENCY PROGRAM TOTALS	\$ 171,212	\$ 15,413	\$ 102,384	\$ 84,241

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that provide goods or services to the public on a user charge basis. A brief description of each Enterprise Fund follows:

Housing Authority - This fund is maintained to account for activities of the Montana Board of Housing. The Board issues bonds and carries federally insured mortgage notes to provide affordable housing for lower income persons and families.

State Compensation Mutual Insurance (New Fund) - This fund accounts for premiums received for workers' compensation from participating employers, benefit payments to workers injured on or after July 1, 1990, and administrative costs of the fund.

State Compensation Mutual Insurance (Old Fund) - This fund accounts for the payroll tax assessed on each Montana employer, workers' compensation benefit payments to workers injured before July 1, 1990, and administrative costs of the fund.

Economic Development Bonds - This operation is directed by the nine-member Board of Investments, administered by the Department of Commerce. This fund accounts for the Industrial Development Bond (IDB) Program and the Montana Cash Anticipation Program. This program assists Montana's small businesses and local governments in obtaining long-term, fixed-rate financing through private Montana lending institutions.

Employees Group Benefits - This fund receives employee (excluding higher education units) withholdings and State contributions to the medical self-insurance plan. The State contracted with Blue Cross and Blue Shield of Montana to oversee the administrative functions of the program.

Liquor Stores - This fund accounts for activities related to the sale and distribution of alcoholic beverages and licensing within the State. Profits and license fees are used to finance General Fund expenditures.

Hail Insurance - Any producer engaged in the growing of crops subject to damage by hail may participate in the hail insurance program. This fund accounts for premium assessments paid by producers for crop acreage insured, investment and interest earnings, administrative costs and benefits paid by the Department of Agriculture.

State Lottery - This fund accounts for the operations of Montana's lottery.

MUS Group Insurance - This fund accounts for employee contributions to the Montana University System's (MUS) medical/dental self-insurance plan.

Montana State Prison Ranch/Industries, Swan River Vocational Training and Women's Prison Industries- These operations provide training and employment for inmates. The products produced are sold to State agencies, non-profit organizations and other customers in accordance with State policies.

Subsequent Injury - This fund accounts for the assessments collected from employers and benefits paid to workers who are certified as vocationally handicapped and are injured on the job.

Uninsured Employers - This fund accounts for fines and penalties collected from employers that do not carry workers' compensation coverage and benefits paid to their employees who are injured on the job.

FWP Snowgroomer Rental - This fund accounts for activities related to providing snowgroomer equipment to snowmobile clubs which are assessed fees for use of the equipment.

Historical Society Publications - This fund accounts for the Historical Society's sales from "Montana, The Magazine of Western History", books, publications and merchandise from the Historical Society store.

West Yellowstone Airport - This fund, administered by the Department of Transportation, accounts for operations of the airport at West Yellowstone. User airlines are assessed rent and landing fees.

Health Facilities Authority - This operation, administered by the Department of Commerce, began in fiscal year 1984. The purpose of the Authority, composed of a seven-member Board of Directors, is to contain future health care costs of the people of Montana through reduced debt financing of capital equipment and buildings for Montana's non-profit health care institutions. Bonded debt issuances are limited to \$150 million per biennium. The only source of funding is fee revenues generated through loans made from bond proceeds.

Local Government Audits - This fund accounts for the costs incurred by the Department of Commerce for audits of local governments required under Section 2-7-501 through 522 of the Montana Code Annotated and the fees assessed the local governments for the audits.

Local Government Accounting and Management System - This fund, administered by the Department of Commerce, accounts for the operations of prescribing and maintaining local government accounting systems and advising and assisting local governments on accounting matters.

Department of Agriculture - This fund accounts for fees collected from persons importing, possessing or controlling alfalfa leaf-cutting bees and the costs incurred in certifying that the bees are disease free, and the application fees from the operations of the Beginning Farm Loan Program.

Fire Services Training School - Governance for the school was transferred from the Board of Public Education to the Board of Regents of Higher Education during the 51st Legislative Session. The school is administratively attached to Montana State University for financial reporting purposes.

STATE OF MONTANA
Combining Balance Sheet
Enterprise Funds
June 30, 1992
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE (NEW FUND)	STATE COMPENSATION MUTUAL INSURANCE (OLD FUND)	ECONOMIC DEVELOPMENT BONDS
ASSETS:				
Cash/Cash Equivalents	\$ 3,186	\$ 85,120	\$ 8,361	\$ 5,286
Receivables (Net)	6,017	32,654	475	1,036
Interfund Loans Receivable	-	-	-	-
Due from Other Funds	289	2,108	2,129	1
Inventories	-	59	-	-
Long-Term Loans/Notes Receivable	449,257	-	2	25,626
Investments	206,370	58,415	33,706	17,023
Land	-	-	-	-
Buildings/Improvements	-	-	-	-
Equipment	167	1,237	-	21
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Accumulated Depreciation	(111)	(326)	-	(13)
Intangible Assets	40	37	-	-
Deferred Charges	8,736	-	3,861	1,211
Other Assets	10	10,514	-	2
TOTAL ASSETS	\$ 673,961	\$ 189,818	\$ 48,534	\$ 50,193
LIABILITIES/FUND EQUITY:				
Liabilities:				
Accounts Payable	\$ 7,765	\$ 165	\$ 843	\$ 1,063
Lottery Prizes Payable	-	-	-	-
Interfund Loans Payable	-	-	-	-
Advances from Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	315	753	1,813	13
Deferred Revenue	-	-	-	504
Installment Purchase/Lease Payable	-	-	-	-
Bonds/Notes Payable (Net)	596,107	-	138,244	46,901
Property Held in Trust	-	18,710	-	180
Compensated Absences Payable	32	433	-	14
Estimated Insurance Claims	-	211,995	406,719	-
Arbitrage Rebate Tax Payable	350	-	-	-
Other Liabilities	-	-	-	-
Total Liabilities	604,569	232,056	547,619	48,675
Fund Equity:				
Contributed Capital	-	12,011	-	23
Retained Earnings:				
Reserved for: Debt Service	67,326	-	-	-
Employee Benefits	-	-	-	-
Future Claims	-	-	-	-
Unreserved	2,066	(54,249)	(499,085)	1,495
Total Fund Equity	69,392	(42,238)	(499,085)	1,518
TOTAL LIABILITIES/FUND EQUITY	\$ 673,961	\$ 189,818	\$ 48,534	\$ 50,193

EMPLOYEES GROUP BENEFITS	LIQUOR STORES	HAIL INSURANCE	STATE LOTTERY	MUS GROUP INSURANCE	PRISON RANCH	SUBSEQUENT INJURY	UNINSURED EMPLOYERS	PRISON INDUSTRIES
\$ 6,259	\$ 687	\$ 4,054	\$ 1,447	\$ 4,952	\$ 1,779	\$ 1,263	\$ 621	\$ 296
173	79	1,077	635	-	217	35	844	66
-	-	-	-	26	-	-	-	-
20	3,214	14	11	141	100	2	11	147
-	6,128	-	141	-	2,257	-	-	559
-	-	-	-	-	-	-	-	-
9,290	-	-	-	-	-	1,347	-	-
-	-	-	-	-	690	-	-	-
-	1,736	-	-	-	1,428	-	-	489
31	830	20	702	29	1,406	-	-	440
-	-	-	4	-	-	-	-	-
-	-	-	-	-	7	-	-	-
(16)	(1,155)	(14)	(477)	(14)	(1,448)	-	-	(365)
-	-	-	2	-	1	-	-	1
-	-	-	-	-	-	-	-	-
-	184	-	579	-	-	-	-	-
<u>\$ 15,757</u>	<u>\$ 11,703</u>	<u>\$ 5,151</u>	<u>\$ 3,044</u>	<u>\$ 5,134</u>	<u>\$ 6,437</u>	<u>\$ 2,647</u>	<u>\$ 1,476</u>	<u>\$ 1,633</u>

\$ 738	\$ 1,241	-	\$ 417	\$ 105	\$ 55	-	\$ 3	\$ 56
-	-	-	1,029	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	6	-	-	-	-	-	-
36	6,476	15	1,367	9	99	7	14	89
-	1,109	1,373	104	154	-	-	-	3
1	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1	150	-	-	-	-	-	8	-
16	298	12	126	17	54	1	21	20
5,985	-	4	-	3,200	-	1,222	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>6,777</u>	<u>9,274</u>	<u>1,410</u>	<u>3,043</u>	<u>3,485</u>	<u>208</u>	<u>1,230</u>	<u>46</u>	<u>168</u>
-	1,916	8	1	-	-	-	-	255
-	-	-	-	-	-	-	-	-
8,980	-	-	-	-	-	-	-	-
-	-	-	-	1,649	-	1,417	-	-
-	513	3,733	-	-	6,229	-	1,430	1,210
<u>8,980</u>	<u>2,429</u>	<u>3,741</u>	<u>1</u>	<u>1,649</u>	<u>6,229</u>	<u>1,417</u>	<u>1,430</u>	<u>1,465</u>
<u>\$ 15,757</u>	<u>\$ 11,703</u>	<u>\$ 5,151</u>	<u>\$ 3,044</u>	<u>\$ 5,134</u>	<u>\$ 6,437</u>	<u>\$ 2,647</u>	<u>\$ 1,476</u>	<u>\$ 1,633</u>

(Continued on Next Page)

STATE OF MONTANA
Combining Balance Sheet - Continued
Enterprise Funds
June 30, 1992
(Expressed in Thousands)

	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY
ASSETS:				
Cash/Cash Equivalents	\$ 17	\$ 184	\$ 77	\$ 369
Receivables (Net)	-	34	7	8
Interfund Loans Receivable	-	-	-	-
Due from Other Funds	-	-	-	2
Inventories	-	307	-	-
Long-Term Loans/Notes Receivable	-	-	-	8
Investments	-	-	-	200
Land	-	-	-	-
Buildings/Improvements	-	-	388	-
Equipment	766	39	91	17
Other Fixed Assets	-	1	-	-
Construction in Progress	-	-	-	-
Accumulated Depreciation	(262)	(21)	(314)	(13)
Intangible Assets	-	3	-	-
Deferred Charges	-	-	-	-
Other Assets	-	-	-	-
TOTAL ASSETS	\$ 521	\$ 547	\$ 249	\$ 591
LIABILITIES/FUND EQUITY:				
Liabilities:				
Accounts Payable	\$ -	\$ 8	\$ 2	\$ -
Lottery Prizes Payable	-	-	-	-
Interfund Loans Payable	-	-	-	-
Advances from Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	-	10	3	4
Deferred Revenue	-	99	5	-
Installment Purchase/Lease Payable	-	1	-	-
Bonds/Notes Payable (Net)	-	-	-	-
Property Held in Trust	-	-	-	-
Compensated Absences Payable	-	18	2	15
Estimated Insurance Claims	-	-	-	-
Arbitrage Rebate Tax Payable	-	-	-	-
Other Liabilities	-	-	-	-
Total Liabilities	-	136	12	19
Fund Equity:				
Contributed Capital	469	40	9	-
Retained Earnings:				
Reserved for: Debt Service	-	-	-	-
Employee Benefits	-	-	-	-
Future Claims	-	-	-	-
Unreserved	52	371	228	572
Total Fund Equity	521	411	237	572
TOTAL LIABILITIES/FUND EQUITY	\$ 521	\$ 547	\$ 249	\$ 591

LOCAL GOVERNMENT AUDITS	LOCAL GOVERNMENT ACCTG & MGMT SYSTEM	DEPT OF AGRICULTURE	SWAN RIVER VOCATIONAL TRAINING	WOMEN'S PRISON INDUSTRIES	TOTALS - JUNE 30	
					1992	1991
\$ 149	\$ 86	\$ 11	\$ 1	2	\$ 124,207	\$ 66,733
87	18	-	-	-	43,462	72,681
-	-	-	-	-	26	15
-	1	-	1	-	8,191	6,382
-	-	-	-	-	9,451	8,870
-	-	-	-	-	474,893	490,746
-	-	-	-	-	326,351	204,004
-	-	-	-	-	690	690
-	-	-	-	-	4,041	3,782
105	8	1	-	-	5,910	5,657
-	-	-	-	-	5	5
-	-	-	-	-	7	17
(52)	(5)	(1)	-	-	(4,607)	(4,133)
5	-	-	-	-	89	273
-	-	-	-	-	13,808	9,930
2	-	-	-	-	11,291	9,849
<u>\$ 296</u>	<u>\$ 108</u>	<u>\$ 11</u>	<u>\$ 2</u>	<u>2</u>	<u>\$ 1,017,815</u>	<u>\$ 875,501</u>

\$ 12	\$ -	\$ -	\$ -	\$ -	\$ 12,473	\$ 12,678
-	-	-	-	-	1,029	444
-	-	-	-	-	-	15
175	-	-	-	-	175	-
-	-	-	-	-	6	-
57	9	-	-	-	11,089	4,827
1	18	-	-	2	3,372	3,743
-	-	-	-	-	2	2
-	-	-	-	-	781,252	662,272
-	-	-	-	-	19,049	17,273
80	26	-	-	-	1,185	1,017
-	-	-	-	-	629,125	534,295
-	-	-	-	-	350	277
1	34	-	-	-	35	-
<u>326</u>	<u>87</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>1,459,142</u>	<u>1,236,843</u>
53	12	186	-	-	14,983	14,987
-	-	-	-	-	67,326	64,231
-	-	-	-	-	8,980	11,583
-	-	-	-	-	3,066	1,626
(83)	9	(175)	2	-	(535,682)	(453,769)
<u>(30)</u>	<u>21</u>	<u>11</u>	<u>2</u>	<u>-</u>	<u>(441,327)</u>	<u>(361,342)</u>
<u>\$ 296</u>	<u>\$ 108</u>	<u>\$ 11</u>	<u>\$ 2</u>	<u>2</u>	<u>\$ 1,017,815</u>	<u>\$ 875,501</u>

STATE OF MONTANA
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Enterprise Funds
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE (NEW FUND)	STATE COMPENSATION MUTUAL INSURANCE (OLD FUND)	ECONOMIC DEVELOPMENT BONDS
OPERATING REVENUES:				
Charges for Services	\$ 86	\$ 37	\$ -	\$ 323
Investment Earnings	56,555	6,035	4,625	4,167
Contributions/Premiums	-	126,765	15	-
Taxes	-	-	-	-
Other Operating Revenues	11	28	19	-
Total Operating Revenues	56,652	132,865	4,659	4,490
Intrafund Revenues	-	-	-	-
Net Operating Revenues	56,652	132,865	4,659	4,490
OPERATING EXPENSES:				
Personal Services	375	3,570	2,263	131
Contractual Services	2,206	1,481	723	54
Supplies/Materials	8	71	34	9
Expendable Equipment	-	75	-	9
Benefits	-	168,610	39,887	-
Depreciation	6	152	-	2
Amortization	10	-	-	-
Utilities/Rent	30	90	32	26
Communications	29	292	186	13
Travel	13	86	29	11
Repair/Maintenance	38	69	52	1
Lottery Prize Payments	-	-	-	-
Interest Expense	50,631	-	9,569	3,558
Arbitrage Rebate Tax	72	-	-	-
Other Operating Expenses	-	928	22	12
Total Operating Expenses	53,418	175,424	52,797	3,826
Intrafund Expenses	-	-	-	-
Net Operating Expenses	53,418	175,424	52,797	3,826
Operating Income (Loss)	3,234	(42,559)	(48,138)	664
NONOPERATING REVENUES (EXPENSES):				
Gain (Loss) Sale of Fixed Assets	-	3	-	(2)
Increase (Decrease) Value of Livestock	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	3	-	(2)
Income (Loss) Before Operating Transfers	3,234	(42,556)	(48,138)	662
Operating Transfers In	-	-	12,013	-
Operating Transfers Out	-	(2,384)	(665)	-
Net Income (Loss)	3,234	(44,940)	(36,790)	662
RETAINED EARNINGS - JULY 1 - As Previously Reported	66,158	(9,309)	(461,560)	827
Prior Period Adjustments	-	-	(735)	6
RETAINED EARNINGS - JULY 1- As Restated	66,158	(9,309)	(462,295)	833
Residual Equity Transfers	-	-	-	-
RETAINED EARNINGS - JUNE 30	\$ 69,392	\$ (54,249)	\$ (499,085)	\$ 1,495

EMPLOYEES GROUP BENEFITS	LIQUOR STORES	HAIL INSURANCE	STATE LOTTERY	MUS GROUP INSURANCE	PRISON RANCH	SUBSEQUENT INJURY	UNINSURED EMPLOYERS	PRISON INDUSTRIES
\$ -	\$ 39,307	\$ -	\$ 27,926	\$ -	\$ 2,446	\$ 210	\$ -	\$ 1,510
1,104	-	194	95	235	-	194	34	-
30,510	-	2,061	-	13,445	-	-	25	-
-	9,970	-	-	-	-	-	-	-
2	47	-	-	-	5	-	1,865	-
31,616	49,324	2,255	28,021	13,680	2,451	404	1,924	1,510
-	-	-	(16)	-	-	-	-	(5)
31,616	49,324	2,255	28,005	13,680	2,451	404	1,924	1,505
287	3,822	151	1,115	108	572	16	253	496
681	1,689	61	5,895	856	25	-	15	28
3	27,290	1	517	6	561	-	13	627
-	124	-	1	-	-	-	6	-
31,024	-	1,122	-	12,861	-	1,088	454	-
4	76	2	117	3	190	-	-	75
-	-	-	120	-	-	-	-	-
8	689	3	95	1	58	1	10	9
14	139	7	745	6	5	2	13	7
3	35	21	40	9	5	-	13	10
2	78	1	77	-	134	-	3	99
-	-	-	13,550	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
32	11	-	164	342	89	4	608	19
32,058	33,953	1,369	22,436	14,192	1,639	1,111	1,388	1,370
-	-	-	(16)	-	-	-	-	(5)
32,058	33,953	1,369	22,420	14,192	1,639	1,111	1,388	1,365
(442)	15,371	886	5,585	(512)	812	(707)	536	140
-	(8)	-	(6)	-	-	-	-	-
-	-	-	-	-	(539)	-	-	-
-	(8)	-	(6)	-	(539)	-	-	-
(442)	15,363	886	5,579	(512)	273	(707)	536	140
-	-	-	-	-	-	498	-	-
-	(16,856)	(33)	(5,579)	-	-	-	-	-
(442)	(1,493)	853	-	(512)	273	(209)	536	140
9,422	2,006	2,880	-	2,161	5,956	1,626	1,487	864
-	-	-	-	-	-	-	(593)	206
9,422	2,006	2,880	-	2,161	5,956	1,626	894	1,070
-	-	-	-	-	-	-	-	-
\$ 8,980	\$ 513	\$ 3,733	\$ -	\$ 1,649	\$ 6,229	\$ 1,417	\$ 1,430	\$ 1,210

(Continued on Next Page)

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Continued

Enterprise Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY
OPERATING REVENUES:				
Charges for Services	\$ -	\$ 520	\$ 3	\$ 156
Investment Earnings	-	-	-	28
Contributions/Premiums	-	-	-	-
Taxes	-	-	-	-
Other Operating Revenues	-	1	44	20
Total Operating Revenues	-	521	47	204
Intrafund Revenues	-	-	-	-
Net Operating Revenues	-	521	47	204
OPERATING EXPENSES:				
Personal Services	-	195	31	50
Contractual Services	-	31	1	44
Supplies/Materials	-	213	5	1
Expendable Equipment	6	5	23	-
Benefits	-	-	-	-
Depreciation	46	2	10	2
Amortization	-	1	-	-
Utilities/Rent	-	14	8	2
Communications	-	22	1	6
Travel	-	4	2	10
Repair/Maintenance	-	7	19	-
Lottery Prize Payments	-	-	-	-
Interest Expense	-	-	-	-
Arbitrage Rebate Tax	-	-	-	-
Other Operating Expenses	-	6	1	10
Total Operating Expenses	52	500	101	125
Intrafund Expenses	-	-	-	-
Net Operating Expenses	52	500	101	125
Operating Income (Loss)	(52)	21	(54)	79
NONOPERATING REVENUES (EXPENSES):				
Gain (Loss) Sale of Fixed Assets	-	(1)	(2)	(2)
Increase (Decrease) Value of Livestock	-	-	-	-
Total Nonoperating Revenues (Expenses)	-	(1)	(2)	(2)
Income (Loss) Before Operating Transfers	(52)	20	(56)	77
Operating Transfers In	-	51	7	-
Operating Transfers Out	-	-	-	-
Net Income (Loss)	(52)	71	(49)	77
RETAINED EARNINGS - JULY 1 -				
As Previously Reported	111	271	277	495
Prior Period Adjustments	(7)	29	-	-
RETAINED EARNINGS - JULY 1- As Restated	104	300	277	495
Residual Equity Transfers	-	-	-	-
RETAINED EARNINGS - JUNE 30	\$ 52	\$ 371	\$ 228	\$ 572

LOCAL GOVERNMENT AUDITS	LOCAL GOVERNMENT ACCTG & MGMT SYSTEM	DEPT OF AGRICULTURE	FIRE SERVICES TRAINING SCHOOL	SWAN RIVER VOCATIONAL TRAINING	WOMEN'S PRISON INDUSTRIES	TOTALS YEAR ENDED JUNE 30	
						1992	1991
\$ 716	\$ 49	\$ 7	\$ -	\$ 3	\$ -	\$ 73,299	\$ 94,296
-	-	-	-	-	-	73,266	67,681
-	-	-	-	-	-	172,821	116,525
-	-	-	-	-	-	9,970	9,385
-	-	-	-	-	-	2,042	289
716	49	7	-	3	-	331,398	288,176
-	-	-	-	-	-	(21)	(41)
716	49	7	-	3	-	331,377	288,135
708	110	-	-	-	1	14,254	12,315
21	9	4	-	-	-	13,824	13,178
22	1	1	-	-	-	29,383	27,955
2	1	-	-	-	-	252	14
-	-	-	-	-	-	255,046	388,704
7	1	-	-	-	-	695	621
-	-	-	-	-	-	131	199
17	3	-	-	-	-	1,096	1,075
24	5	-	-	-	-	1,516	1,438
71	22	-	-	-	-	384	339
6	2	-	-	1	-	589	536
-	-	-	-	-	-	13,550	11,659
-	-	-	-	-	-	63,758	54,865
-	-	-	-	-	-	72	75
87	22	-	-	-	-	2,357	1,308
965	176	5	-	1	1	396,907	514,281
-	-	-	-	-	-	(21)	(41)
965	176	5	-	1	1	396,886	514,240
(249)	(127)	2	-	2	(1)	(65,509)	(226,105)
-	-	-	-	-	-	(18)	(1)
-	-	-	-	-	-	(539)	101
-	-	-	-	-	-	(557)	100
(249)	(127)	2	-	2	(1)	(66,066)	(226,005)
91	51	-	-	-	-	12,711	12,967
-	-	-	-	-	-	(25,517)	(24,596)
(158)	(76)	2	-	2	(1)	(78,872)	(237,634)
78	85	(177)	11	-	1	(376,330)	(135,210)
(3)	-	-	(11)	-	-	(1,108)	7,721
75	85	(177)	-	-	1	(377,438)	(127,489)
-	-	-	-	-	-	-	(11,206)
\$ (83)	\$ 9	\$ (175)	\$ -	\$ 2	\$ -	\$ (456,310)	\$ (376,329)

STATE OF MONTANA
Combining Statement of Cash Flows
Enterprise Funds
June 30, 1992
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE (NEW FUND)	STATE COMPENSATION MUTUAL INSURANCE (OLD FUND)	ECONOMIC DEVELOPMENT BONDS
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts for Sales and Services	\$ 86	\$ 123,873	\$ 411	\$ 323
Collections for Principal and Interest on Loans	100,538	-	-	32,332
Cash Payments for Loans	(46,033)	-	-	(28,969)
Payments to Suppliers for Goods and Services	(2,181)	(4,429)	(926)	(134)
Payments to Employees	(371)	(3,916)	(1,812)	(128)
Payments for Servicer Fees	-	-	-	-
Cash Payments for Claims	-	(47,885)	(66,348)	-
Collection of Notes Receivable	-	24	111	-
Cash Payments for Prizes	-	-	-	-
Other Operating Revenues	11	65	19	-
Net Cash Provided by (Used for) Operating Activities	52,050	67,732	(68,545)	3,424
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Payment of Principal and Interest on Bonds and Notes	(88,201)	-	(9,422)	(14,958)
Proceeds from Issuance of Bonds and Notes	50,000	-	145,427	12,256
Payment of Bond Issuance Costs	(383)	-	(3,994)	(499)
Collection of Taxes	-	-	-	-
Transfers to Other Funds	-	(2,371)	(665)	-
Transfers from Other Funds	-	-	13,211	-
Cash Payments for Loans	-	(7,000)	(39,000)	-
Collections for Principal and Interest on Loans	-	39,306	-	-
Proceeds from Interfund Loans	-	-	-	-
Interfund Loan Payments	-	-	-	-
Residual Equity Transfers to Other Funds	-	-	-	-
Contributed Capital Transfers from Other Funds	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	(38,584)	29,935	105,557	(3,201)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of Fixed Assets	(100)	(167)	-	-
Proceeds from Sale of Fixed Assets	2	3	-	-
Principal and Interest Payments on Bonds and Notes	-	-	-	-
Net Cash Used for Capital and Related Financing Activities	(98)	(164)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of Investments	(550,031)	(65,569)	(66,259)	(46,836)
Proceeds from Sales or Maturities of Investments	520,751	10,138	32,483	44,180
Interest and Dividends on Investments	14,810	5,974	4,452	4,692
Net Cash Provided by (Used for) Investing Activities	(14,470)	(49,457)	(29,324)	2,036
Net Increase (Decrease) in Cash and Cash Equivalents	(1,102)	48,046	7,688	2,259
Cash and Cash Equivalents, July 1	4,288	37,074	673	3,027
Cash and Cash Equivalents, June 30	\$ 3,186	\$ 85,120	\$ 8,361	\$ 5,286

EMPLOYEES GROUP BENEFITS	LIQUOR STORES	HAIL INSURANCE	STATE LOTTERY	MUS GROUP INSURANCE	PRISON RANCH	SUBSEQUENT INJURY	UNINSURED EMPLOYERS	PRISON INDUSTRIES
\$ 31,476	\$ 39,398	\$ 2,094	\$ 27,840	\$ 13,672	\$ 2,363	\$ 210	\$ 1,027	\$ 1,478
-	-	-	-	-	-	-	-	-
(756)	(30,942)	(96)	(7,487)	(1,312)	(929)	(3)	(680)	(945)
(279)	(3,802)	(149)	(1,062)	(102)	(509)	(10)	(221)	(480)
(30,359)	-	(2,730)	-	(11,663)	-	(501)	(446)	-
-	-	-	(13,484)	-	-	-	-	-
2	47	-	-	-	5	-	-	-
84	4,701	(881)	5,807	595	930	(304)	(320)	53
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	9,970	-	-	-	-	-	-	-
-	(15,401)	(33)	(5,418)	-	-	-	-	-
-	-	-	-	-	-	498	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	15	-	-	-
-	-	-	-	(26)	-	-	-	(15)
-	-	-	-	-	-	-	-	-
-	(5,431)	(33)	(5,418)	(26)	15	498	-	(15)
(8)	-	-	(24)	-	(249)	-	-	(138)
-	66	-	86	-	-	-	-	-
(1)	-	-	(70)	-	-	-	-	-
(9)	66	-	(8)	-	(249)	-	-	(138)
(2,801)	-	-	-	-	-	(1,030)	-	-
2,160	-	-	-	-	-	500	-	-
1,103	-	180	90	221	-	191	33	-
462	-	180	90	221	-	(339)	33	-
537	(664)	(734)	471	790	696	(145)	(287)	(100)
5,722	1,351	4,788	976	4,162	1,083	1,408	908	396
\$ 6,259	\$ 687	\$ 4,054	\$ 1,447	\$ 4,952	\$ 1,779	\$ 1,263	\$ 621	\$ 296

(Continued on Next Page)

STATE OF MONTANA
Combining Statement of Cash Flows - Continued
Enterprise Funds
June 30, 1992
(Expressed in Thousands)

	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts for Sales and Services	\$ 11	\$ 513	\$ 48	\$ 204
Collections for Principal and Interest on Loans	-	-	-	-
Cash Payments for Loans	-	-	-	-
Payments to Suppliers for Goods and Services	-	(335)	(62)	(82)
Payments to Employees	-	(184)	(30)	(50)
Payments for Servicer Fees	-	-	-	-
Cash Payments for Claims	-	-	-	-
Collection of Notes Receivable	-	-	-	-
Cash Payments for Prizes	-	-	-	-
Other Operating Revenues	-	1	3	20
Net Cash Provided by (Used for) Operating Activities	11	(5)	(41)	92
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Payment of Principal and Interest on Bonds and Notes	-	-	-	-
Proceeds from Issuance of Bonds and Notes	-	-	-	-
Payment of Bond Issuance Costs	-	-	-	-
Collection of Taxes	-	-	-	-
Transfers to Other Funds	-	-	-	-
Transfers from Other Funds	-	51	7	-
Cash Payments for Loans	-	-	-	-
Collections for Principal and Interest on Loans	-	-	-	-
Proceeds from Interfund Loans	-	-	-	-
Interfund Loan Payments	-	-	-	-
Residual Equity Transfers to Other Funds	-	-	-	-
Contributed Capital Transfers From Other Funds	-	26	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	-	77	7	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of Fixed Assets	-	-	(5)	-
Proceeds from Sale of Fixed Assets	-	-	5	-
Principal and Interest Payments on Bonds and Notes	-	-	-	-
Net Cash Used for Capital and Related Financing Activities	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of Investments	-	-	-	(200)
Proceeds from Sales or Maturities of Investments	-	-	-	-
Interest and Dividends on Investments	-	-	-	27
Net Cash Provided by (Used for) Investing Activities	-	-	-	(173)
Net Increase (Decrease) in Cash and Cash Equivalents	11	72	(34)	(81)
Cash and Cash Equivalents, July 1	6	112	111	450
Cash and Cash Equivalents, June 30	\$ 17	\$ 184	\$ 77	\$ 369

LOCAL GOVERNMENT AUDITS	LOCAL GOVERNMENT ACCTG & MGMT SYSTEM	DEPT OF AGRICULTURE	SWAN RIVER VOCATIONAL TRAINING	WOMEN'S PRISON INDUSTRIES	TOTALS - JUNE 30	
					1992	1991
\$ 786	\$ 82	\$ 8	\$ 2	\$ -	245,905	\$ 213,058
-	-	-	-	-	132,870	89,531
-	-	-	-	-	(75,002)	(81,684)
(232)	(64)	(6)	(1)	-	(51,602)	(39,096)
(691)	(105)	-	-	(1)	(13,902)	(12,196)
-	-	-	-	-	-	(1,661)
-	-	-	-	-	(159,932)	(157,488)
-	-	-	-	-	135	771
-	-	-	-	-	(13,484)	(11,980)
-	-	-	-	3	176	178
(137)	(87)	2	1	2	65,164	(567)
-	-	-	-	-	(112,581)	(129,705)
-	-	-	-	-	207,683	120,723
-	-	-	-	-	(4,876)	(906)
-	-	-	-	-	9,970	9,385
-	-	-	-	-	(23,888)	(27,693)
91	51	-	-	-	13,909	13,612
-	-	-	-	-	(46,000)	(32,000)
-	-	-	-	-	39,306	-
175	-	-	-	-	190	-
-	-	-	-	-	(41)	(8)
-	-	-	-	-	-	(5,056)
-	-	-	-	-	26	-
266	51	-	-	-	83,698	(51,648)
(44)	-	-	-	-	(735)	(1,713)
2	1	-	-	-	165	965
-	-	-	-	-	(71)	(156)
(42)	1	-	-	-	(641)	(904)
-	-	-	-	-	(732,726)	(404,855)
-	-	-	-	-	610,212	435,731
-	-	1	-	-	31,774	26,242
-	-	1	-	-	(90,740)	57,118
87	(35)	3	1	2	57,481	9,055
62	121	8	-	-	66,726	57,678
\$ 149	\$ 86	\$ 11	\$ 1	\$ 2	124,207	\$ 66,733

(Continued on Next Page)

STATE OF MONTANA
Combining Statement of Cash Flows - Continued
Enterprise Funds
June 30, 1992
(Expressed in Thousands)

	HOUSING AUTHORITY	STATE COMPENSATION MUTUAL INSURANCE (NEW FUND)	STATE COMPENSATION MUTUAL INSURANCE (OLD FUND)	ECONOMIC DEVELOPMENT BONDS
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 3,234	\$ (42,559)	\$ (48,138)	\$ 664
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Depreciation	6	152	-	2
Amortization	5,284	-	-	-
Taxes	-	-	-	-
Interest on Bonds and Notes	45,430	-	-	-
Interest on Investments	(14,284)	(6,035)	(4,624)	(4,167)
Interest Expense	-	-	9,569	3,559
Change in Assets and Liabilities:				
Decr (Incr) in Accounts Receivable	245	(3,802)	(354)	(490)
Decr (Incr) in Due From Other Funds	(180)	(1,287)	4	-
Decr (Incr) in Inventories	-	-	-	-
Decr (Incr) in Long-Term Loans/Notes Receivable	11,989	-	2	3,862
Decr (Incr) in Other Assets	127	(1,018)	-	(2)
Incr (Decr) in Accounts Payable	17	(208)	(2)	(3)
Incr (Decr) in Lottery Prizes Payable	-	-	-	-
Incr (Decr) in Due to Other Governments	-	-	-	-
Incr (Decr) in Due to Other Funds	182	86	1,733	(2)
Incr (Decr) in Deferred Revenue	-	-	-	-
Incr (Decr) in Property Held in Trust	-	1,595	-	-
Incr (Decr) in Other Liabilities	-	-	-	-
Incr (Decr) in Compensated Absences Payable	-	38	-	1
Incr (Decr) in Estimated Claims	-	120,770	(26,735)	-
Net Cash Provided by (Used for) Operating Activities	\$ 52,050	\$ 67,732	\$ (68,545)	\$ 3,424
SCHEDULE OF NONCASH TRANSACTIONS:				
Fixed Asset Acquisitions from Capital Leases	\$ -	\$ -	\$ -	\$ -
Asset Acquisitions from Contributed	-	-	-	-
Capital Transfers from Other Funds	-	-	-	-
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ -

EMPLOYEES GROUP BENEFITS	LIQUOR STORES	HAIL INSURANCE	STATE LOTTERY	MUS GROUP INSURANCE	PRISON RANCH	SUBSEQUENT INJURY	UNINSURED EMPLOYERS	PRISON INDUSTRIES
\$ (442)\$	15,371 \$	886 \$	5,585 \$	(512)\$	812 \$	(707)\$	536 \$	140
4	76	2	117	3	190	-	-	75
-	-	-	120	-	-	-	-	-
-	(9,970)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
(1,103)	-	(195)	(95)	(235)	-	(193)	(34)	-
-	-	-	-	-	-	-	-	-
20	(22)	575	(40)	6	(81)	-	(259)	16
948	(83)	-	-	347	(58)	-	(4)	(83)
-	(916)	-	33	-	(29)	-	-	(174)
-	-	-	-	-	-	-	-	-
-	16	-	(566)	2	1	-	-	-
3	58	(2)	(54)	10	28	-	(9)	6
-	-	-	585	-	-	-	-	-
-	-	6	-	-	-	-	-	-
24	55	7	12	-	60	7	12	72
-	84	(540)	84	(229)	-	-	-	(4)
1	(8)	-	-	-	-	588	(583)	-
-	-	-	-	-	-	-	-	-
4	40	-	26	3	7	1	21	5
625	-	(1,620)	-	1,200	-	-	-	-
\$ 84 \$	4,701 \$	(881)\$	5,807 \$	595 \$	930 \$	(304)\$	(320)\$	53
\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	- \$	-
-	-	-	1	-	-	-	-	-
\$ - \$	- \$	- \$	1 \$	- \$	- \$	- \$	- \$	-

(Continued on Next Page)

STATE OF MONTANA
Combining Statement of Cash Flows - Continued
Enterprise Funds
June 30, 1992
(Expressed in Thousands)

	FWP SNOWGROOMER RENTAL	HISTORICAL SOCIETY PUBLICATIONS	WEST YELLOWSTONE AIRPORT	HEALTH FACILITIES AUTHORITY
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (52)	\$ 21	\$ (54)	\$ 79
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Depreciation	46	2	10	2
Amortization	-	1	-	-
Taxes	-	-	-	-
Interest on Bonds and Notes	-	-	-	-
Interest on Investments	-	-	-	(28)
Interest Expense	-	-	-	-
CHANGE IN ASSETS AND LIABILITIES:				
Decr (Incr) in Accounts Receivable	-	1	(1)	47
Decr (Incr) in Due From Other Funds	17	1	-	(1)
Decr (Incr) in Inventories	-	(38)	-	-
Decr (Incr) in Long-Term Loans/Notes Receivable	-	-	-	1
Decr (Incr) in Other Assets	-	-	-	-
Incr (Decr) in Accounts Payable	-	5	(2)	(1)
Incr (Decr) in Lottery Prizes Payable	-	-	-	-
Incr (Decr) in Due to Other Governments	-	-	-	-
Incr (Decr) in Due to Other Funds	-	2	-	(8)
Incr (Decr) in Deferred Revenue	-	(7)	5	-
Incr (Decr) in Property Held in Trust	-	-	-	-
Incr (Decr) in Other Liabilities	-	-	-	-
Incr (Decr) in Compensated Absences Payable	-	7	1	1
Incr (Decr) in Estimated Claims	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ 11	\$ (5)	\$ (41)	\$ 92
SCHEDULE OF NONCASH TRANSACTIONS:				
Fixed Asset Acquisitions from Capital Leases	\$ -	\$ -	\$ -	\$ -
Asset Acquisitions from Contributed Capital Transfers from Other Funds	-	6	-	-
Total Noncash Transactions	\$ -	\$ 6	\$ -	\$ -

LOCAL GOVERNMENT AUDITS	LOCAL GOVERNMENT ACCTG & MGMT SYSTEM	DEPT OF AGRICULTURE	SWAN RIVER VOCATIONAL TRAINING	WOMEN'S PRISON INDUSTRIES	TOTALS - JUNE 30	
					1992	1991

\$	(249)\$	(127)\$	2 \$	2 \$	(1)\$	(65,509)\$	(226,105)
----	---------	---------	------	------	-------	------------	-----------

7	1	-	-	-	695	621
-	-	-	-	-	5,405	5,575
-	-	-	-	-	(9,970)	(9,385)
-	-	-	-	-	45,430	44,938
-	-	-	-	-	(30,993)	(25,882)
-	-	-	-	-	13,128	4,626
65	(6)	-	-	-	(4,080)	(1,229)
2	5	-	(1)	-	(373)	10,739
-	-	-	-	-	(1,124)	4,941
-	-	-	-	-	15,854	(33,909)
(1)	-	-	-	-	(1,441)	(819)
10	-	-	-	-	(144)	391
-	-	-	-	-	585	(202)
-	-	-	-	-	6	-
20	(1)	-	-	-	2,261	(6,351)
1	1	-	-	3	(602)	(1,137)
-	-	-	-	-	1,593	732
1	34	-	-	-	35	-
7	6	-	-	-	168	84
-	-	-	-	-	94,240	231,805

\$	(137)\$	(87)\$					
----	---------	--------	--	--	--	--	--

\$	- \$	- \$	- \$	- \$	- \$	- \$	3
	-	-	-	-	-	7	13

\$	\$	\$					
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STATE OF MONTANA
Schedule of Expenditures and Transfers Out
Budget and Actual (Budget Basis) - Enterprise Fund Type
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
COMMISSIONER OF HIGHER ED				
MUS Group Insurance Program	\$ 13,906	\$ -	\$ 13,079	\$ 827
Total Agency	\$ 13,906	\$ -	\$ 13,079	\$ 827
HISTORICAL SOCIETY				
Library Program	33	-	33	-
Museum Program	4	-	4	-
Publications	533	-	496	37
Total Agency	\$ 570	\$ -	\$ 533	\$ 37
DEPT OF FISH, WILDLIFE & PARKS				
Parks Division	45	-	-	45
Total Agency	\$ 45	\$ -	\$ -	\$ 45
DEPARTMENT OF TRANSPORTATION				
Aeronautics Program	84	-	67	17
Total Agency	\$ 84	\$ -	\$ 67	\$ 17
DEPARTMENT OF REVENUE				
Directors Office	574	-	536	38
Data Processing Division	478	-	473	5
Liquor Division	34,546	-	33,638	908
Liquor Division	-	17,660	16,856	804
Total Agency	\$ 35,598	\$ 17,660	\$ 51,503	\$ 1,755
DEPARTMENT OF ADMINISTRATION				
State Personnel Division	37,294	-	31,506	5,788
Total Agency	\$ 37,294	\$ -	\$ 31,506	\$ 5,788
STATE COMP. MUTUAL INS. FUND				
St. Compensation Mutual Ins. F	126,583	-	124,786	1,797
St. Compensation Mutual Ins. F	-	88,297	61,648	26,649
Total Agency	\$ 126,583	\$ 88,297	\$ 186,434	\$ 28,446
LONG RANGE BUILDING PLAN				
Departments & Agencies	146	-	24	122
Total Agency	\$ 146	\$ -	\$ 24	\$ 122
DEPARTMENT OF AGRICULTURE				
Central Management Division	26	-	26	-
Plant Industry Division	11	-	6	5
Agricultural Development	184	-	165	19
Total Agency	\$ 221	\$ -	\$ 197	\$ 24

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Enterprise Fund Type
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
DEPT. CORRECTIONS & HUMAN SER				
Central Operations	\$ 7	\$ -	\$ 1	\$ 6
Corrections Systems	3,347	-	3,273	74
Total Agency	<u>\$ 3,354</u>	<u>\$ -</u>	<u>\$ 3,274</u>	<u>\$ 80</u>
DEPARTMENT OF COMMERCE				
Local Gov't Services-Audit	1,314	-	989	325
Local Gov't Services-Systems	191	-	167	24
Health Facilities Authority	129	-	123	6
Board of Housing	2,028	-	1,216	812
Investments Division	8,785	-	8,568	217
Investments Division	-	250	-	250
Montana State Lottery	23,351	-	22,147	1,204
Montana State Lottery	-	6,040	5,583	457
Total Agency	<u>\$ 35,798</u>	<u>\$ 6,290</u>	<u>\$ 38,793</u>	<u>\$ 3,295</u>
LABOR & INDUSTRY				
Employment Relations	1,415	-	1,346	69
Total Agency	<u>\$ 1,415</u>	<u>\$ -</u>	<u>\$ 1,346</u>	<u>\$ 69</u>
AGENCY PROGRAM TOTALS	<u>\$ 255,014</u>	<u>\$ 112,247</u>	<u>\$ 326,756</u>	<u>\$ 40,505</u>

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for operations that provide goods or services to other agencies or programs of state government on a cost-reimbursement basis. A brief description of each Internal Service Fund follows:

Office Supplies & Equipment - Four internal service funds under the Departments of Fish, Wildlife and Parks (FWP Equipment, FWP Warehouse Inventory & FWP Office Supply) and Transportation (Highway Equipment) are used to account for inter- and intradepartmental sales and use of office supplies and equipment.

Information Services Division (ISD) - State agencies and private users are assessed a fee for their use of the State's phone system, centralized data processing, systems design services and microfiche services provided by the Department of Administration.

Admin. Insurance - The Department of Administration accounts for the State's property self-insurance program (including liability, property, flood, etc.) in this fund.

Motor Pool - State employees' transportation is provided by the Department of Transportation through a pool of vehicles. The cost of operating the Motor Pool are recovered through rental rates charged to user agencies based on the average operating costs per mile for each class of vehicle.

Admin. Property & Supply - The Department of Administration accounts for the intragovernmental sales of office supplies and paper products and federal surplus property sales to State agencies, local governments and certain other non-profit organizations in this fund.

Publications & Graphics - Agencies are assessed a fee for duplicating, typesetting, forms design and graphic arts services.

Buildings & Grounds - Rent proceeds from State agencies are used to pay maintenance, security and landscaping costs for State-owned property.

Central Services - Funds are used by the Departments of Commerce, Labor and Industry and Office of Public Instruction for administrative services provided on a cost recovery basis to programs within the departments.

DHES Indirect Cost Pool - This fund is used to account for funds collected as indirect costs from the operating units of the Department of Health and Environmental Sciences and used to fund the Department's indirect cost pool operations that provide services to the Department.

Mail & Messenger - This fund accounts for costs associated with intrastate government mail and package delivery.

Investment Division - This fund accounts for costs associated with operations of the Board of Investments. The Board assists agencies in the investment of State funds. Costs of administering and accounting for each investment fund are allocated based on the dollar volume of investments held by user agencies.

Aircraft Operations - The Department of State Lands accounts for fees charged to users of State aircraft in this fund.

Legal Services - The Attorney General's Office and the Department of Justice charge other State agencies a fee for legal assistance. The Departments of Administration and Health & Environmental Sciences funds legal services with intradepartmental fees.

Personnel Training - This fund accounts for fees charged State agencies for training State employees. The fees are used by the Department of Administration to pay instructors and purchase training materials.

Records Management - State agencies are assessed a fee for records storage and microfilm services provided by the Office of the Secretary of State.

Bad Debt Division - This fund accounts for fees charged for the collection of bad debts that have been transferred to the State Auditor's Office.

Local Government Admin. - This fund accounts for the costs incurred by the Administrator of the Local Government Assistance Division in the Department of Commerce and the allocation of these costs to other programs within the division.

Natural Gas Procurement - State agencies are charged for the centralized payment of natural gas procurement and associated administrative costs as provided by the Department of Administration.

PSC Audit Reimbursement - The Public Service Commission accounts for out-of-state travel in this fund.

STATE OF MONTANA
Combining Balance Sheet
Internal Service Funds
June 30, 1992
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	ISD	ADMIN. INSURANCE	FWP EQUIPMENT	MOTOR POOL
ASSETS:					
Cash/Cash Equivalents	\$ 3,085	\$ 4,708	\$ 861	\$ 260	\$ 556
Receivables (Net)	17	44	63	3	2
Interfund Loans Receivable	-	-	-	-	-
Due from Other Governments	1	-	-	16	5
Due from Other Funds	1,079	1,330	2	268	154
Inventories	-	15	-	-	-
Long-Term Loans/Notes Receivable	-	-	-	-	-
Investments	-	624	3,698	-	-
Land	-	-	-	-	236
Buildings/Improvements	-	-	-	5	-
Equipment	63,296	29,158	62	5,949	2,432
Other Fixed Assets	-	-	-	-	-
Construction in Progress	1,384	-	-	-	-
Accumulated Depreciation	(28,756)	(20,857)	(43)	(2,603)	(1,310)
Intangible Assets	-	560	2	-	-
Deferred Charges	-	56	-	-	-
Other Assets	-	4	1	-	-
TOTAL ASSETS	\$ 40,106	\$ 15,642	\$ 4,646	\$ 3,898	\$ 2,075
LIABILITIES/FUND EQUITY:					
Liabilities:					
Accounts Payable	\$ 130	\$ 1,291	\$ 95	\$ 158	\$ 20
Interfund Loans Payable	-	-	-	-	62
Due to Other Funds	827	288	59	6	9
Deferred Revenue	-	-	-	-	-
Installment Purchase/Lease Payable	-	4,861	-	-	-
Bonds/Notes Payable (Net)	-	2,090	-	-	-
Property Held in Trust	-	22	-	-	-
Compensated Absences Payable	437	481	30	6	4
Estimated Claims	-	-	15,102	-	-
Total Liabilities	1,394	9,033	15,286	170	95
Fund Equity:					
Contributed Capital	1,536	1,904	-	525	5
Retained Earnings:					
Reserved for Future Claims	-	-	-	-	-
Unreserved	37,176	4,705	(10,640)	3,203	1,975
Total Fund Equity	38,712	6,609	(10,640)	3,728	1,980
TOTAL LIABILITIES/FUND EQUITY	\$ 40,106	\$ 15,642	\$ 4,646	\$ 3,898	\$ 2,075

ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	DHES INDIRECT COST POOL	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER
\$ 480	\$ 588	\$ 709	\$ 559	\$ 405	\$ 623	\$ 24	\$ 153
22	-	1	-	-	-	-	-
-	-	-	-	15	-	-	-
-	-	-	-	-	-	-	-
156	227	68	9	111	266	12	63
1,085	73	-	-	-	-	138	-
3	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
12	-	-	-	-	-	-	-
317	1,375	227	261	127	132	-	81
-	-	-	-	3	-	-	-
-	-	-	-	-	-	-	-
(214)	(907)	(146)	(146)	(25)	(55)	-	(40)
18	1	1	-	4	-	-	-
-	-	-	-	-	-	-	-
8	9	98	1	15	3	-	81
\$ 1,887	\$ 1,366	\$ 958	\$ 684	\$ 655	\$ 969	\$ 174	\$ 338

\$ 23	\$ 200	\$ 168	\$ 8	\$ 11	\$ 9	\$ 23	-
-	-	-	-	-	-	-	200
43	39	77	113	84	60	1	15
-	-	-	403	-	-	-	-
-	-	-	-	-	-	-	2
-	-	-	-	-	-	-	-
-	-	32	14	-	-	-	-
35	56	59	220	166	144	1	25
-	-	-	-	-	-	-	-
101	295	336	758	261	213	25	242
464	-	5	-	7	279	85	-
-	-	-	-	-	-	-	-
1,322	1,071	617	(74)	387	477	64	96
1,786	1,071	622	(74)	394	756	149	96
\$ 1,887	\$ 1,366	\$ 958	\$ 684	\$ 655	\$ 969	\$ 174	\$ 338

(Continued on Next Page)

STATE OF MONTANA

Combining Balance Sheet - Continued

Internal Service Funds

June 30, 1992

(Expressed in Thousands)

	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL	OPI CENTRAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
ASSETS:						
Cash/Cash Equivalents	\$ 172	\$ 306	\$ 56	\$ 14	\$ 85	\$ 40
Receivables (Net)	1	-	5	-	6	3
Interfund Loans Receivable	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
Due from Other Funds	124	16	46	50	15	25
Inventories	-	-	-	-	-	-
Long-Term Loans/Notes Receivable	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Land	-	-	-	-	-	-
Buildings/Improvements	-	-	-	-	-	-
Equipment	89	-	96	55	29	-
Other Fixed Assets	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-
Accumulated Depreciation	(39)	-	(45)	(19)	(19)	-
Intangible Assets	1	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-
Other Assets	6	-	-	-	6	-
TOTAL ASSETS	\$ 354	\$ 322	\$ 158	\$ 100	\$ 122	\$ 68
LIABILITIES/FUND EQUITY:						
Liabilities:						
Accounts Payable	\$ 26	\$ 15	\$ 6	\$ -	\$ 20	\$ 1
Interfund Loans Payable	-	-	-	-	-	40
Due to Other Funds	84	3	23	39	10	10
Deferred Revenue	-	-	-	-	-	-
Installment Purchase/Lease Payable	24	-	-	-	-	-
Bonds/Notes Payable (Net)	-	-	-	-	-	-
Property Held in Trust	-	-	-	-	-	-
Compensated Absences Payable	96	4	53	41	13	12
Estimated Claims	-	-	-	-	-	-
Total Liabilities	230	22	82	80	43	63
Fund Equity:						
Contributed Capital	22	-	15	-	1	48
Retained Earnings:						
Reserved for Future Claims	-	-	-	-	-	-
Unreserved	102	300	61	20	78	(43)
Total Fund Equity	124	300	76	20	79	5
TOTAL LIABILITIES/FUND EQUITY	\$ 354	\$ 322	\$ 158	\$ 100	\$ 122	\$ 68

FWP OFFICE SUPPLY	DHES LEGAL	BAD DEBT	ADMIN. LEGAL	LOCAL GOVERNMENT ADMIN.	NATURAL GAS PROCUREMENT	PSC AUDIT REIMBURSE- MENTS	TOTALS - JUNE 30	
							1992	1991
\$ 3	\$ 21	\$ 29	\$ 2	\$ 4	\$ 1	\$ 4	13,748	\$ 10,703
-	-	-	-	-	-	1	168	252
-	-	-	-	-	-	-	15	-
-	26	-	-	-	-	-	48	24
9	8	13	2	6	-	-	4,059	4,130
6	-	-	-	-	-	-	1,317	1,348
-	-	-	-	-	-	-	3	3
-	-	-	-	-	-	-	4,322	4,671
-	-	-	-	-	-	-	236	236
-	-	-	-	-	-	-	17	17
77	-	2	-	-	9	-	103,774	98,254
-	-	-	-	-	-	-	3	3
(49)	-	-	-	-	(1)	-	1,384	2,515
-	-	-	-	-	-	-	(55,274)	(48,704)
-	-	-	-	-	-	-	587	516
-	-	-	-	-	-	-	56	84
-	-	-	-	-	-	-	232	240

\$ 46 \$ 55 \$ 44 \$ 4 \$ 10 \$ 9 \$ 5 \$ 74,695 \$ 74,292

\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,204	\$ 2,188
-	30	-	-	-	-	-	332	364
4	8	7	3	6	1	-	1,819	1,581
-	-	-	-	-	-	-	403	533
-	-	-	-	-	-	-	4,887	5,796
-	-	-	-	-	-	-	2,090	3,475
-	-	-	-	-	-	-	68	59
13	15	5	13	23	-	-	1,952	1,754
-	-	-	-	-	-	-	15,102	2,337

17 53 12 16 29 1 - 28,857 18,087

25 2 2 - - - 4,925 2,862

4 - 30 (12) (19) 8 5 40,913 50,533

29 2 32 (12) (19) 8 5 45,838 56,205

\$ 46 \$ 55 \$ 44 \$ 4 \$ 10 \$ 9 \$ 5 \$ 74,695 \$ 74,292

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

Internal Service Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	HIGHWAY EQUIPMENT	COMMUNICATIONS	ISO	ADMIN. INSURANCE	FWP EQUIPMENT	MOTOR POOL
OPERATING REVENUES:						
Charges for Services	\$ 14,843	\$ -	\$ 18,416	\$ -	\$ 1,325	\$ 968
Investment Earnings	-	-	68	462	-	-
Premiums	-	-	-	3,981	-	-
Other Operating Revenues	-	-	-	295	4	-
Total Operating Revenues	14,843	-	18,484	4,738	1,329	968
Intrafund Revenues	(2)	-	-	-	-	-
Net Operating Revenues	14,841	-	18,484	4,738	1,329	968
OPERATING EXPENSES:						
Personal Services	3,904	-	4,211	386	76	156
Contractual Services	240	-	447	2,092	77	39
Supplies/Materials	2,300	-	260	18	407	141
Expendable Equipment	277	-	872	5	168	-
Benefits	-	-	-	15,622	-	-
Depreciation	3,724	-	4,411	10	504	501
Amortization	-	-	369	1	-	-
Utilities/Rent	52	-	1,237	9	12	10
Communications	7	-	5,755	13	2	2
Travel	32	-	80	18	3	-
Repair/Maintenance	1,711	-	620	3	316	41
Interest Expense	-	-	534	-	-	-
Other Operating Expenses	42	-	121	10	-	1
Total Operating Expenses	12,289	-	18,917	18,187	1,565	891
Intrafund Expenses	(2)	-	-	-	-	-
Net Operating Expenses	12,287	-	18,917	18,187	1,565	891
Operating Income (Loss)	2,554	-	(433)	(13,449)	(236)	77
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) Sale of Fixed Assets	(138)	-	(63)	(1)	62	90
Federal Indirect Cost Recoveries	-	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	(138)	-	(63)	(1)	62	90
Income (Loss) before Operating Transfers	2,416	-	(496)	(13,450)	(174)	167
Operating Transfers In	-	-	109	-	144	-
Net Income (Loss)	2,416	-	(387)	(13,450)	(30)	167
RETAINED EARNINGS - July 1 -						
As Previously Reported	34,760	3,196	3,947	2,810	3,221	1,808
Prior Period Adjustments	-	(1,437)	1,437	-	12	-
RETAINED EARNINGS - JULY 1 - As Restated	34,760	1,759	5,384	2,810	3,233	1,808
Residual Equity Transfers	-	(1,759)	(292)	-	-	-
RETAINED EARNINGS - JUNE 30	\$ 37,176	\$ -	\$ 4,705	\$ (10,640)	\$ 3,203	\$ 1,975

ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	DHES INDIRECT COST POOL	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER
\$ 3,862	\$ 5,479	\$ 3,392	\$ -	\$ 1,138	\$ -	\$ 175	\$ 2,306
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,862	5,479	3,392	-	1,138	-	175	2,306
-	-	-	(5)	-	-	-	-
3,862	5,479	3,392	(5)	1,138	-	175	2,306
558	681	720	2,002	1,453	1,048	26	267
53	31	1,325	229	91	236	2	7
2,901	4,333	114	229	29	36	226	3
-	3	6	-	-	1	-	-
-	-	1	-	-	-	-	-
27	158	15	44	20	13	-	6
3	-	2	-	4	-	-	-
71	58	1,040	204	83	36	1	12
45	22	9	53	32	21	1	1,900
26	2	16	23	18	7	-	11
27	266	148	86	33	19	-	11
-	-	-	-	-	-	-	-
3	5	28	121	82	28	1	1
3,714	5,559	3,424	2,991	1,845	1,445	257	2,218
-	-	-	(5)	-	-	-	-
3,714	5,559	3,424	2,986	1,845	1,445	257	2,218
148	(80)	(32)	(2,991)	(707)	(1,445)	(82)	88
(2)	(49)	(1)	-	(10)	(20)	-	-
-	-	-	2,973	806	2,122	-	-
(2)	(49)	(1)	2,973	796	2,102	-	-
146	(129)	(33)	(18)	89	657	(82)	88
-	-	55	-	-	-	-	-
146	(129)	22	(18)	89	657	(82)	88
1,176	1,147	587	(56)	267	(180)	146	13
-	100	8	-	31	-	-	(5)
1,176	1,247	595	(56)	298	(180)	146	8
-	(47)	-	-	-	-	-	-
\$ 1,322	\$ 1,071	\$ 617	\$ (74)	\$ 387	\$ 477	\$ 64	\$ 96

(Continued on Next Page)

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Retained Earnings - Continued

Internal Service Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL	OPI CENTRAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
OPERATING REVENUES:						
Charges for Services	\$ 1,512	\$ 326	\$ 531	\$ -	\$ 180	\$ 297
Investment Earnings	-	-	-	-	-	-
Premiums	-	-	-	-	-	-
Other Operating Revenues	2	-	-	-	-	-
Total Operating Revenues	1,514	326	531	-	180	297
Intrafund Revenues	-	-	-	-	-	-
Net Operating Revenues	1,514	326	531	-	180	297
OPERATING EXPENSES:						
Personal Services	1,049	41	473	537	111	230
Contractual Services	125	-	23	160	25	11
Supplies/Materials	16	78	8	21	12	28
Expendable Equipment	-	-	9	7	5	8
Benefits	-	-	-	-	-	-
Depreciation	17	-	8	19	2	-
Amortization	8	-	-	-	-	-
Utilities/Rent	101	-	10	180	6	48
Communications	28	-	11	54	11	4
Travel	19	1	12	6	12	2
Repair/Maintenance	35	111	3	16	2	8
Interest Expense	-	-	2	-	-	-
Other Operating Expenses	111	-	2	11	2	1
Total Operating Expenses	1,509	231	561	1,011	188	340
Intrafund Expenses	-	-	-	-	-	-
Net Operating Expenses	1,509	231	561	1,011	188	340
Operating Income (Loss)	5	95	(30)	(1,011)	(8)	(43)
NONOPERATING REVENUES (EXPENSES):						
Gain (Loss) Sale of Fixed Assets	(27)	-	-	-	-	-
Federal Indirect Cost Recoveries	-	-	-	553	-	-
Total Nonoperating Revenues (Expenses)	(27)	-	-	553	-	-
Income (Loss) before Operating Transfers	(22)	95	(30)	(458)	(8)	(43)
Operating Transfers In	-	-	-	435	-	-
Net Income (Loss)	(22)	95	(30)	(23)	(8)	(43)
RETAINED EARNINGS - July 1 - As Previously Reported	107	205	86	41	86	-
Prior Period Adjustments	17	-	5	2	-	-
RETAINED EARNINGS - JULY 1 - As Restated	124	205	91	43	86	-
Residual Equity Transfers	-	-	-	-	-	-
RETAINED EARNINGS - JUNE 30	\$ 102	\$ 300	\$ 61	\$ 20	\$ 78	(43)

								TOTALS	
FWP	OFFICE	DHES	BAD	ADMIN.	LOCAL	NATURAL	PSC AUDIT	YEAR ENDED JUNE 30	
SUPPLY	LEGAL	DEBT	LEGAL		GOVERNMENT	GAS	REIMBURSE-	1992	1991
					ADMIN.	PROCUREMENT	MENTS		
\$ 111	\$ 190	\$ 188	\$ 70	\$	122	\$ 30	19	\$ 55,480	\$ 54,902
-	-	-	-	-	-	-	-	530	670
-	-	-	-	-	-	-	-	3,981	-
-	-	-	-	-	-	-	-	301	144
111	190	188	70		122	30	19	60,292	55,716
-	-	-	-	-	-	-	-	(7)	(254)
111	190	188	70		122	30	19	60,285	55,462
65	153	129	59		112	-	-	18,447	16,167
1	1	6	2		1	-	-	5,224	4,746
20	3	3	3		-	-	-	11,189	11,224
-	-	3	-		-	1	-	1,365	48
-	-	-	-		-	-	-	15,623	5,034
8	-	-	-		-	1	-	9,488	7,877
-	-	-	-		-	-	-	387	246
1	6	5	2		-	19	-	3,203	3,089
1	2	10	1		1	1	-	7,986	7,599
-	-	-	-		-	-	19	307	254
18	2	1	-		-	-	-	3,477	3,550
-	-	-	-		-	-	-	536	593
-	23	1	1		10	-	-	605	500
114	190	158	68		124	22	19	77,837	60,927
-	-	-	-	-	-	-	-	(7)	(254)
114	190	158	68		124	22	19	77,830	60,673
(3)	-	30	2		(2)	8	-	(17,545)	(5,211)
-	-	-	-		-	-	-	(159)	8
-	-	-	-		-	-	-	6,454	4,588
-	-	-	-		-	-	-	6,295	4,596
(3)	-	30	2		(2)	8	-	(11,250)	(615)
-	-	-	-		-	-	-	743	1,015
(3)	-	30	2		(2)	8	-	(10,507)	400
2	-	-	(14)		(17)	-	5	53,343	52,794
5	-	-	-		-	-	-	175	149
7	-	-	(14)		(17)	-	5	53,518	52,943
-	-	-	-		-	-	-	(2,098)	-
\$ 4	\$ -	\$ 30	\$ (12)		\$ (19)	\$ 8	\$ 5	\$ 40,913	\$ 53,343

STATE OF MONTANA
Combining Statement of Cash Flows
Internal Service Funds
June 30, 1992
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	ISD	ADMIN. INSURANCE	FWP EQUIPMENT	MOTOR POOL
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts for Sales and Services	\$ 14,301	\$ 19,064	\$ 3,982	\$ 1,300	\$ 995
Payments to Suppliers for Goods and Services	(4,227)	(9,447)	(2,164)	(876)	(239)
Payments to Employees	(3,832)	(4,237)	(373)	(73)	(157)
Grant Receipts	-	-	-	-	-
Cash Payments for Claims	-	-	(2,854)	-	-
Transfers from Other Funds	-	332	-	-	-
Other Operating Revenue	-	-	295	4	-
Net cash Provided by (Used for) Operating Activities	<u>6,242</u>	<u>5,712</u>	<u>(1,114)</u>	<u>355</u>	<u>599</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers from Other Funds	-	-	-	-	-
Proceeds from Interfund Loans	-	-	-	-	-
Interfund Loan Payments	-	-	-	-	(123)
Residual Equity Transfers to Other Funds	-	(794)	-	-	-
Contributed Capital Transfers from Other Funds	-	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>-</u>	<u>(794)</u>	<u>-</u>	<u>-</u>	<u>(123)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of Fixed Assets	(3,789)	(1,624)	(8)	(663)	(347)
Proceeds from Sale of Fixed Assets	-	791	-	90	121
Transfers from Other Funds	-	-	-	-	-
Principal and Interest Payments on Bonds and Notes	-	(4,318)	-	-	-
Net Cash Used for Capital and Related Financing Activities	<u>(3,789)</u>	<u>(5,151)</u>	<u>(8)</u>	<u>(573)</u>	<u>(226)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of Investments	-	-	(1,001)	-	-
Proceeds from Sales or Maturities of Investments	-	-	1,352	-	-
Interest and Dividends on Investments	-	68	493	-	-
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>68</u>	<u>844</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,453	(165)	(278)	(218)	250
Cash and Cash Equivalents, July 1	632	4,873	1,139	478	306
Cash and Cash Equivalents, June 30	<u>\$ 3,085</u>	<u>\$ 4,708</u>	<u>\$ 861</u>	<u>\$ 260</u>	<u>\$ 556</u>
	=====	=====	=====	=====	=====

ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	DHES INDIRECT COST POOL	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER
\$ 3,863	\$ 5,608	\$ 3,368	-	\$ 1,135	-	\$ 210	\$ 2,368
(3,226)	(4,842)	(2,592)	(943)	(388)	(402)	(148)	(2,068)
(551)	(670)	(703)	(1,952)	(1,420)	(974)	(32)	(261)
-	-	-	3,005	779	1,847	-	-
-	-	(1)	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
86	96	72	110	106	471	30	39
-	-	55	-	-	-	-	-
-	-	-	-	-	-	-	50
-	-	-	-	(15)	-	(15)	-
-	-	-	-	-	-	-	-
89	-	-	-	-	-	-	-
89	-	55	-	(15)	-	(15)	50
(68)	(96)	(40)	(49)	(46)	(36)	-	(6)
-	-	14	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(68)	(96)	(26)	(49)	(46)	(36)	-	(6)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
107	-	101	61	45	435	15	83
373	588	608	498	360	188	9	70
\$ 480	\$ 588	\$ 709	\$ 559	\$ 405	\$ 623	\$ 24	\$ 153

(Continued on Next Page)

STATE OF MONTANA
Combining Statement of Cash Flows — Continued
Internal Service Funds
June 30, 1992
(Expressed in Thousands)

	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL	OPI CENTRAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts for Sales and Services	\$ 1,444	\$ 325	\$ 522	\$ -	\$ 173	\$ 269
Payments to Suppliers for Goods and Services	(411)	(208)	(75)	(442)	(63)	(109)
Payments to Employees	(1,031)	(40)	(459)	(526)	(109)	(208)
Grant Receipts	-	-	-	581	-	-
Cash Payments for Claims	-	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	-	-
Other Operating Revenue	2	-	-	-	-	-
Net cash Provided by (Used for) Operating Activities	4	77	(12)	(387)	1	(48)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers from Other Funds	-	-	-	396	-	-
Proceeds from Interfund Loans	-	-	-	-	-	40
Interfund Loan Payments	-	-	-	-	-	-
Residual Equity Transfers to Other Funds	-	-	-	-	-	-
Contributed Capital Transfers from Other Funds	-	-	-	-	-	48
Net Cash Provided by (Used for) Noncapital Financing Activities	-	-	-	396	-	88
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition of Fixed Assets	(9)	-	2	4	(2)	-
Proceeds from Sale of Fixed Assets	-	-	-	-	-	-
Transfers from Other Funds	-	-	-	-	-	-
Principal and Interest Payments on Bonds and Notes	-	-	-	-	-	-
Net Cash Used for Capital and Related Financing Activities	(9)	-	2	4	(2)	-
CASH FLOWS FROM INVESTING ACTIVITIES:						
Purchase of Investments	-	-	-	-	-	-
Proceeds from Sales or Maturities of Investments	-	-	-	-	-	-
Interest and Dividends on Investments	-	-	-	-	-	-
Net Cash Provided by (Used for) Investing Activities	-	-	-	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(5)	77	(10)	13	(1)	40
Cash and Cash Equivalents, July 1	177	229	66	1	86	-
Cash and Cash Equivalents, June 30	\$ 172	\$ 306	\$ 56	\$ 14	\$ 85	\$ 40

FWP OFFICE SUPPLY	DHES LEGAL	BAD DEBT	ADMIN. LEGAL	LOCAL GOVERNMENT ADMIN.	NATURAL GAS PROCUREMENT	PSC AUDIT REIMBURSE- MENTS	TOTALS - JUNE 30	
							1992	1991
\$ 110	\$ 156	\$ 174	\$ 71	\$ 117	\$ 30	\$ 23	\$ 59,608	\$ 54,914
(39)	(34)	(28)	(8)	(12)	(20)	(20)	(33,031)	(31,576)
(63)	(133)	(117)	(66)	(108)	-	-	(18,095)	(15,881)
-	-	-	-	-	-	-	6,212	4,660
-	-	-	-	-	-	-	(2,855)	(3,348)
-	-	-	-	-	-	-	332	117
-	-	-	-	-	-	-	301	144
8	(11)	29	(3)	(3)	1	1	2,472	2,472
-	-	-	-	-	-	-	451	635
-	30	-	-	-	-	-	120	187
(14)	-	-	-	-	-	-	(167)	-
-	-	-	-	-	-	-	(794)	-
-	2	-	-	-	-	-	139	-
(14)	32	-	-	-	-	-	(251)	822
-	-	-	-	-	(9)	-	(6,786)	(8,728)
-	-	-	-	-	-	-	1,016	1,281
-	-	-	-	-	-	-	-	78
-	-	-	-	-	-	-	(4,318)	(3,852)
-	-	-	-	-	(9)	-	(10,088)	(11,221)
-	-	-	-	-	-	-	(1,001)	(3,755)
-	-	-	-	-	-	-	1,352	3,605
-	-	-	-	-	-	-	561	658
-	-	-	-	-	-	-	912	508
(6)	21	29	(3)	(3)	1	1	2,472	2,472
9	-	-	5	7	-	1	10,703	11,564
\$ 3	\$ 21	\$ 9	\$ 2	\$ 7	\$ 1	\$ 1	\$ 10,703	\$ 11,564

(Continued on Next Page)

STATE OF MONTANA
Combining Statement of Cash Flows - Continued
Internal Service Funds
June 30, 1992
(Expressed in Thousands)

	HIGHWAY EQUIPMENT	ISD	ADMIN. INSURANCE	FWP EQUIPMENT	MOTOR POOL
	=====	=====	=====	=====	=====
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 2,554	\$ (433)	\$ (13,449)	\$ (236)	\$ 77
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR)					
OPERATING ACTIVITIES:					
Depreciation	3,724	4,411	10	504	501
Amortization	-	369	1	-	-
Interest on Investments	-	(68)	(462)	-	-
Federal Indirect Cost Recoveries	-	-	-	-	-
Interest Expense	-	534	-	-	-
Operating Transfers-In	-	109	-	-	-
Change in Assets and Liabilities:					
Decr (Incr) in Accounts Receivable	5	(25)	-	-	1
Decr (Incr) in Due From Other Governments	1	-	-	-	2
Decr (Incr) in Due From Other Funds	(546)	904	5	(13)	87
Decr (Incr) in Inventories	-	5	-	-	-
Decr (Incr) in Other Assets	-	19	27	-	-
Incr (Decr) in Accounts Payable	62	(33)	(39)	96	3
Incr (Decr) in Due to Other Funds	419	(121)	19	2	(72)
Incr (Decr) in Deferred Revenue	-	-	-	-	-
Incr (Decr) in Property Held in Trust	-	22	-	-	-
Incr (Decr) in Compensated Absences Payable	23	19	8	2	-
Incr (Decr) in Estimated Claims	-	-	12,766	-	-
Net Cash Provided by (Used for)					
Operating Activities	\$ 6,242	\$ 5,712	\$ (1,114)	\$ 355	\$ 599
	=====	=====	=====	=====	=====
SCHEDULE OF NONCASH TRANSACTIONS:					
Fixed Asset Acquisitions from Capital Leases	\$ -	\$ 1,911	\$ -	\$ -	\$ -
Asset Acquisitions from Contributed	-	-	-	121	5
Capital Transfers from Other Funds	-	-	-	-	-
Total Noncash Transactions	\$ -	\$ 1,911	\$ -	\$ 121	\$ 5
	=====	=====	=====	=====	=====

ADMIN. PROPERTY & SUPPLY	PUBLICATIONS & GRAPHICS	BUILDINGS & GROUNDS	LABOR CENTRAL SERVICES	COMMERCE CENTRAL SERVICES	DHES INDIRECT COST POOL	FWP WAREHOUSE INVENTORY	MAIL & MESSENGER
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\$ 148 \$	(80)\$	(32)\$	(2,991)\$	(707)\$	(1,445)\$	(82)\$	88
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27	158	15	44	20	13	-	6
3	-	2	-	4	-	-	-
-	-	-	-	-	-	-	-
-	-	-	2,973	806	2,122	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
52	(30)	-	-	-	-	-	4
-	-	-	-	-	-	-	-
12	162	(9)	(9)	(24)	(120)	34	58
(30)	(9)	-	-	-	-	65	-
(5)	11	57	(1)	(9)	(3)	-	(80)
(71)	(98)	11	(5)	(19)	-	19	(3)
5	(22)	(6)	34	18	22	(1)	(38)
-	-	-	37	-	(167)	-	-
(54)	-	32	9	-	-	-	-
(1)	4	2	19	17	49	(5)	4
-	-	-	-	-	-	-	-

\$ 86 \$	96 \$	72 \$	110 \$	106 \$	471 \$	30 \$	39
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\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	3
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89	-	-	-	5	10	-	-
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\$ 89 \$	- \$	- \$	- \$	5 \$	10 \$	- \$	3
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STATE OF MONTANA

Combining Statement of Cash Flows - Continued
Internal Service Funds

June 30, 1992

(Expressed in Thousands)

	INVESTMENT DIVISION	AIRCRAFT OPERATION	JUSTICE LEGAL	OPI CENTRAL SERVICES	PERSONNEL TRAINING	RECORDS MANAGEMENT
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:						
Operating Income (Loss)	\$ 5	\$ 95	\$ (30)	\$ (1,011)	\$ (8)	\$ (43)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:						
Depreciation	17	-	8	19	2	-
Amortization	8	-	1	-	-	-
Interest on Investments	-	-	-	-	-	-
Federal Indirect Cost Recoveries	-	-	-	553	-	-
Interest Expense	-	-	-	-	-	-
Operating Transfers-In	-	-	-	-	-	-
Change in Assets and Liabilities:						
Decr (Incr) in Accounts Receivable	(1)	-	(4)	-	-	(3)
Decr (Incr) in Due From Other Governments	-	-	-	-	-	-
Decr (Incr) in Due From Other Funds	(69)	(1)	(4)	39	(8)	(25)
Decr (Incr) in Inventories	-	-	-	-	-	-
Decr (Incr) in Other Assets	1	-	-	-	(6)	-
Incr (Decr) in Accounts Payable	7	(19)	5	-	18	1
Incr (Decr) in Due to Other Funds	29	1	5	6	-	10
Incr (Decr) in Deferred Revenue	-	-	-	-	-	-
Incr (Decr) in Property Held in Trust	-	-	-	-	-	-
Incr (Decr) in Compensated Absences Payable	7	1	7	7	3	12
Incr (Decr) in Estimated Claims	-	-	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ 4	\$ 77	\$ (12)	\$ (387)	\$ 1	\$ (48)
SCHEDULE OF NONCASH TRANSACTIONS:						
Fixed Asset Acquisitions from Capital Leases	\$ 24	\$ -	\$ -	\$ -	\$ -	\$ -
Asset Acquisitions from Contributed Capital Transfers from Other Funds	1	-	3	-	-	-
Total Noncash Transactions	\$ 25	\$ -	\$ 3	\$ -	\$ -	\$ -

FWP OFFICE SUPPLY	DHES LEGAL	BAD DEBT	ADMIN. LEGAL	LOCAL GOVERNMENT ADMIN.	NATURAL GAS PROCUREMENT	PSC AUDIT REIMBURSE- MENTS	TOTALS - JUNE 30	
							1992	1991
\$ (3)\$	- \$	30 \$	2 \$	(2)\$	8 \$	- \$	(17,545)\$	(5,211)
8	-	-	-	-	1	-	9,488	7,877
-	-	-	-	-	-	-	388	246
-	-	-	-	-	-	-	(530)	(670)
-	-	-	-	-	-	-	6,454	4,588
-	-	-	-	-	-	-	534	592
-	-	-	-	-	-	-	109	341
-	-	-	-	-	-	2	1	(82)
-	(26)	-	-	-	-	-	(23)	7
(1)	(8)	(13)	3	(4)	-	1	451	(435)
1	-	-	-	-	-	-	32	(283)
-	-	-	-	-	-	-	11	49
-	-	-	-	-	-	-	(65)	197
2	8	7	(6)	1	1	-	323	(189)
-	-	-	-	-	-	-	(130)	120
-	-	-	-	-	-	-	9	42
1	15	5	(2)	2	-	-	199	119
-	-	-	-	-	-	-	12,766	1,722
\$ 8 \$	(11)\$	29 \$	(3)\$	(3)\$	10 \$	3 \$	12,472 \$	9,030
\$ - \$	- \$	- \$	- \$	- \$	- \$	- \$	1,938 \$	2,075
-	-	2	-	-	-	-	236	160
\$ - \$	- \$	2 \$	- \$	- \$	- \$	- \$	2,174 \$	2,235

STATE OF MONTANA
Schedule of Expenditures and Transfers Out
Budget and Actual (Budget Basis) - Internal Service Fund Type
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project	Appropriated Expenditures	Appropriated Transfer Out	Actual	Variance (Unfavorable)
SECRETARY OF STATES OFFICE				
Records Management	\$ 348	\$ -	\$ 328	\$ 20
Total Agency	\$ 348	\$ -	\$ 328	\$ 20
STATE AUDITORS OFFICE				
Fiscal Control and Management	159	-	153	6
Total Agency	\$ 159	\$ -	\$ 153	\$ 6
OFFICE OF PUBLIC INSTRUCTION				
OPI Administration	996	-	978	18
Total Agency	\$ 996	\$ -	\$ 978	\$ 18
DEPARTMENT OF JUSTICE				
Agency Legal Services	599	-	523	76
Central Services Division	15	-	15	-
Total Agency	\$ 614	\$ -	\$ 538	\$ 76
PUBLIC SERVICE REGULATION				
Public Service Regulation Prog	19	-	19	-
Total Agency	\$ 19	\$ -	\$ 19	\$ -
DEPT OF FISH, WILDLIFE & PARKS				
Administration & Finance Div.	1,873	-	1,744	129
Field Services & R-8 Division	245	-	243	2
Parks Division	244	-	238	6
Total Agency	\$ 2,362	\$ -	\$ 2,225	\$ 137
DEPT HEALTH & ENVIRON SCIENCES				
Director's Office	485	-	481	4
Central Services	1,162	-	954	208
Environmental Sciences	161	-	161	-
Total Agency	\$ 1,808	\$ -	\$ 1,596	\$ 212
DEPARTMENT OF TRANSPORTATION				
State Motor Pool	759	-	730	29
Equipment Program	13,676	-	13,337	339
Total Agency	\$ 14,435	\$ -	\$ 14,067	\$ 368
DEPARTMENT OF STATE LANDS				
Central Management Program	438	-	235	203
Total Agency	\$ 438	\$ -	\$ 235	\$ 203
DEPARTMENT OF ADMINISTRATION				
Director's Office	69	-	68	1
Accounting Program	31	-	31	-
Procurement & Printing Div.	9,988	-	9,834	154
Information Services Division	19,937	-	19,658	279
General Services Program	3,438	-	3,226	212

(Continued on Next Page)

STATE OF MONTANA
Schedule of Expenditures and Transfers Out - Continued
Budget and Actual (Budget Basis) - Internal Service Fund Type
For Fiscal Year Ending June 30, 1992 (Expressed in Thousands)

Agency/Program/Project ~~~~~	Appropriated Expenditures ~~~~~	Appropriated Transfer Out ~~~~~	Actual ~~~~~	Variance (Unfavorable) ~~~~~
DEPARTMENT OF ADMINISTRATION				
Mail & Distribution Bureau	\$ 2,346	\$ -	\$ 2,253	\$ 93
State Personnel Division	192	-	188	4
Risk Management & Tort Defense	6,236	-	5,409	827
Total Agency	<u>\$ 42,237</u>	<u>\$ -</u>	<u>\$ 40,667</u>	<u>\$ 1,570</u>
LONG RANGE BUILDING PLAN				
Departments & Agencies	50	-	6	44
Total Agency	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 44</u>
DEPARTMENT OF COMMERCE				
Public Safety Division	68	-	67	1
POL Bureau	992	-	965	27
Local Govt Assistance Admin	124	-	122	2
Investments Division	1,491	-	1,454	37
Director/Management Services	897	-	831	66
Total Agency	<u>\$ 3,572</u>	<u>\$ -</u>	<u>\$ 3,439</u>	<u>\$ 133</u>
LABOR & INDUSTRY				
Commissioner's Office	2,887	-	2,819	68
Employment Relations	4	-	-	4
Legal Services Division	139	-	139	-
Total Agency	<u>\$ 3,030</u>	<u>\$ -</u>	<u>\$ 2,958</u>	<u>\$ 72</u>
AGENCY PROGRAM TOTALS	<u>\$ 70,068</u> =====	<u>\$ -</u> =====	<u>\$ 67,209</u> =====	<u>\$ 2,859</u> =====

TRUST AND AGENCY FUNDS

Trust and Agency Funds are used to account for assets held by the State in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds. These include: (1) Expendable Trust Funds; (2) Nonexpendable Trust Funds; (3) Pension Trust Funds; and (4) Agency Funds.

STATE OF MONTANA
Combining Balance Sheet
All Trust and Agency Fund Types
June 30, 1992
(Expressed in Thousands)

	EXPENDABLE TRUSTS	NON- EXPENDABLE TRUSTS	PENSION TRUSTS	AGENCY	TOTALS - JUNE 30	
					1992	1991
ASSETS:						
Cash/Cash Equivalents	\$ 88,788	\$ 77,239	\$ 100,924	\$ 400,354	\$ 667,305	\$ 770,881
Receivables (Net)	1,594	18,820	39,922	4,259	64,595	66,954
Interfund Loans Receivable	-	-	-	370	370	905
Due from Other Governments	-	-	-	472	472	16
Due from Other Funds	14	1,511	11,934	17,634	31,093	27,705
Equity in Pooled Investments	90	109	372,382	110,546	483,127	314,901
Long-Term Loans Receivable	2,273	47,627	-	-	49,900	41,200
Investments	-	746,113	1,511,962	79,672	2,337,747	2,165,606
Deferred (Gains) Losses	-	-	6,000	-	6,000	10,788
Land	-	49,399	60	-	49,459	49,459
Buildings/Improvements	-	-	355	-	355	355
Equipment	-	-	203	-	203	187
Accumulated Depreciation	-	-	(305)	-	(305)	(279)
Intangible Assets	-	-	3	-	3	5
Other Assets	-	-	-	43,619	43,619	29,190
TOTAL ASSETS	\$ 92,759	\$ 940,818	\$ 2,043,440	\$ 656,926	\$ 3,733,943	\$ 3,477,873
LIABILITIES/FUND BALANCES:						
Liabilities:						
Accounts Payable	\$ 52	\$ 5,789	\$ 1,058	\$ 4,949	\$ 11,848	\$ 19,926
Interfund Loans Payable	-	-	-	-	-	5,914
Due to Other Governments	-	-	1	261,058	261,059	229,620
Due to Other Funds	3	33,764	2,369	12,093	48,229	61,323
Deferred Revenue	-	276	1	-	277	350
Property Held in Trust	629	-	325	376,192	377,146	350,822
Compensated Absences Payable	-	-	66	-	66	79
Other Liabilities	-	-	-	2,634	2,634	2,223
Total Liabilities	684	39,829	3,820	656,926	701,259	670,257
Fund Balances:						
Reserved for:						
Long-Term Loans	2,273	-	-	-	2,273	2,372
Trust Principal	-	900,989	-	-	900,989	865,342
Retirement Systems	-	-	2,039,620	-	2,039,620	1,855,654
Unreserved	89,802	-	-	-	89,802	84,248
Total Fund Balances	92,075	900,989	2,039,620	-	3,032,684	2,807,616
TOTAL LIABILITIES/FUND BALANCES	\$ 92,759	\$ 940,818	\$ 2,043,440	\$ 656,926	\$ 3,733,943	\$ 3,477,873

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EXPENDABLE TRUST FUNDS

Expendable Trust Funds are used to account for assets held by the State in a trustee capacity, where both the trust principal and earnings may be expended. A brief description of each Expendable Trust Fund follows:

Labor & Industry Compensation Insurance - This fund accounts for the proceeds from liquidated security bonds held on deposit from self-insured employers and other insurance companies in lieu of participating in the State Compensation Mutual Insurance. Administrative costs of operating the fund are paid from a Special Revenue Fund.

Unemployment Insurance - This fund accounts for employer contributions deposited with the Secretary of the Treasury of the United States to the credit of Montana's unemployment trust fund. Unemployment benefits are paid from this fund to eligible recipients. Administrative costs are paid from a Special Revenue Fund.

BN Geraldine Settlement - Deposits and investment earnings from a lawsuit settlement and investment earnings from a Nonexpendable Trust Fund of the same name are to be used for restructuring the Geraldine-Lewistown Line.

Rural Development - This fund accounts for programs authorized under the Bankhead Jones Farm Tenant Act. Resources are used by the Department of Agriculture under a federal use agreement for the purpose of aiding low income rural families.

Historical Society General Trust - Deposits of the principal amounts of various stocks donated by numerous contributors in trust to the Society and the Charles Bair Memorial are accounted for in this fund. The principal can be expended for acquisitions approved by the Board of Trustees.

Woodville Highway Replacement - This fund accounts for money paid to the Montana Department of Transportation by the Anaconda Company to provide the government of Butte-Silver Bow with traffic facilities to replace the abandoned portion of U.S. Highway 91.

Rural Physician - This fund accounts for the fee assessments, educational debt payments and administrative costs associated with the rural physician incentive program administered by the Board of Regents of Higher Education.

Commodity Liquidation Trust - This fund accounts for money from the sales of insolvent grain elevator company assets. Once assets have been sold and surety bond moneys or other equivalents have been collected, the funds are distributed to the proper claimants.

School for Deaf & Blind - The School accounts for private donations in this fund.

STATE OF MONTANA
Combining Balance Sheet
Expendable Trust Funds
June 30, 1992
(Expressed in Thousands)

	L&I COMP INSURANCE	UNEMPLOYMENT INSURANCE	BN GERALDINE SETTLEMENT	RURAL DEVELOPMENT
ASSETS:				
Cash/Cash Equivalents	\$ 455	\$ 85,094	\$ 2,218	\$ 405
Receivables (Net)	-	1,594	-	-
Due from Other Funds	2	1	8	1
Equity in Pooled Investments	-	-	-	-
Long-Term Loans/Notes Receivable	-	237	-	2,036
TOTAL ASSETS	\$ 457	\$ 86,926	\$ 2,226	\$ 2,442
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ -	\$ 52	\$ -	\$ -
Due to Other Funds	-	-	-	3
Deferred Revenue	-	-	-	-
Property Held in Trust	456	80	-	-
Total Liabilities	456	132	-	3
Fund Balances:				
Reserved for Long-Term Loans	-	237	-	2,036
Unreserved	1	86,557	2,226	403
Total Fund Balances	1	86,794	2,226	2,439
TOTAL LIABILITIES/FUND BALANCES	\$ 457	\$ 86,926	\$ 2,226	\$ 2,442

HISTORICAL SOCIETY GENERAL TRUST	WOODVILLE HIGHWAY REPLACEMENT	RURAL PHYSICIAN	COMMODITY LIQUIDATION TRUST	TOTALS - JUNE 30	
				1992	1991
\$ 273	\$ 230	\$ 18	\$ 95	\$ 88,788	\$ 91,202
-	-	-	-	1,594	775
1	1	-	-	14	1
90	-	-	-	90	90
-	-	-	-	2,273	2,372
\$ 364	\$ 231	\$ 18	\$ 95	\$ 92,759	\$ 94,440
=====					
\$ -	\$ -	\$ -	\$ -	\$ 52	\$ 432
-	-	-	-	3	6,713
-	-	-	-	-	127
-	-	-	93	629	548
-	-	-	93	684	7,820
=====					
-	-	-	-	2,273	2,372
364	231	18	2	89,802	84,248
364	231	18	2	92,075	86,620
\$ 364	\$ 231	\$ 18	\$ 95	\$ 92,759	\$ 94,440
=====					

STATE OF MONTANA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Expendable Trust Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	L&I COMP INSURANCE	UNEMPLOYMENT INSURANCE	BN GERALDINE SETTLEMENT	RURAL DEVELOPMENT
REVENUES:				
Charges for Services/Fines/Forfeits	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	7,245	100	179
Contributions/Premiums	-	38,411	-	-
Grants/Contracts/Donations	-	-	-	4
Federal	-	14,603	-	-
Total Revenues	-	60,259	100	183
EXPENDITURES:				
Current:				
Transportation	-	-	49	-
Education/Cultural	-	-	-	-
Economic Development/Assistance	1	54,734	-	89
Capital Outlay	-	-	-	-
Total Expenditures	1	54,734	49	89
Excess of Revenues Over (Under) Expenditures	(1)	5,525	51	94
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	-	-	11	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	11	-
Excess of Revenues/Other Sources Over (Under) Expenditures/ Other Uses	(1)	5,525	62	94
FUND BALANCES - JULY 1 - As Previously Reported	2	81,534	2,164	2,345
Prior Period Adjustments	-	(265)	-	-
FUND BALANCES - JULY 1 - As Restated	2	81,269	2,164	2,345
FUND BALANCES - JUNE 30	\$ 1	\$ 86,794	\$ 2,226	\$ 2,439

HISTORICAL SOCIETY GENERAL TRUST	WOODVILLE HIGHWAY REPLACEMENT	RURAL PHYSICIAN	COMMODITY LIQUIDATION TRUST	SCHOOL FOR DEAF & BLIND	TOTALS YEAR ENDED JUNE 30	
					1992	1991
\$ -	\$ -	\$ 18	\$ -	\$ -	\$ 18	\$ 1
18	12	-	6	-	7,560	7,929
-	-	-	-	-	38,411	39,195
-	-	-	-	59	63	24
-	-	-	-	-	14,603	3,076
18	12	18	6	59	60,655	50,225
-	-	-	-	-	49	644
-	-	-	-	59	59	17
-	-	-	5	-	54,829	47,443
3	-	-	-	-	3	-
3	-	-	5	59	54,940	48,104
15	12	18	1	-	5,715	2,121
-	-	-	-	-	11	18
(6)	-	-	-	-	(6)	-
(6)	-	-	-	-	5	18
9	12	18	1	-	5,720	2,139
355	219	-	1	-	86,620	95,079
-	-	-	-	-	(265)	(10,587)
355	219	-	1	-	86,355	84,492
\$ 364	\$ 231	\$ 18	\$ 2	\$ -	\$ 92,075	\$ 86,631

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NONEXPENDABLE TRUST FUNDS

Nonexpendable Trust Funds are used to account for assets held by the State in a trustee capacity, where the trust principal may not be expended. A brief description of each Nonexpendable Trust Fund follows:

Coal Tax Trust - This fund, created by Article IX, Section 5 of the Montana Constitution and administered by the Department of Revenue, receives 50% of all coal tax collections. Principal may be expended only upon affirmative vote by three-fourths of each house of the Legislature.

Land Grants - The Department of State Lands accounts for lands granted to the State for support of public schools and State institutions in this fund.

Resource Indemnity - Taxes paid by persons engaging in or carrying on the business of mining, extracting or producing minerals are deposited in this fund. Only the net earnings of the trust may be appropriated until the principal reaches \$100 million. Interest earnings are expended from a Special Revenue Fund. This fund is administered by the Department of Revenue.

Parks Trust and Cultural/Aesthetic Trust - A portion of the coal severance taxes are credited to these funds by the Department of Revenue. Income from the trusts shall be used for the acquisition and maintenance of State parks and historical sites by the Department of Fish, Wildlife and Parks and for the protection of works of art in the State Capitol and other cultural and aesthetic projects through the Montana Arts Council.

BN Geraldine Settlement - Money is held in trust to provide funds for the restructuring of the Geraldine-Lewistown Line. The investment earnings are transferred to an Expendable Trust Fund of the same name.

Real Property Trust - Money received by the Department of Fish, Wildlife and Parks from the sale of real property, from the exploration and development of oil, gas and mineral deposits and from the lease of department real property is deposited in this fund. Interest is recorded in a Special Revenue Fund and used for developing and maintaining real property of the department.

Noxious Weed Management - The Department of Agriculture accounts for revenues and interest earned on fees charged for the control of noxious weeds in this fund.

Historical Society - Three funds (Jim Bradley Memorial, Thomas Teakle and Merritt Wheeler) account for memorials, bequests and various other contributions to the Montana Historical Society. Investment income is either expended from a Special Revenue Fund, Expendable Trust Fund or added to the principal.

STATE OF MONTANA
Combining Balance Sheet
Nonexpendable Trust Funds
June 30, 1992
(Expressed in Thousands)

	COAL TAX TRUST	LAND GRANTS	RESOURCE INDEMNITY	PARKS TRUST	CULTURAL, AESTHETIC TRUST
	=====	=====	=====	=====	=====
ASSETS:					
Cash/Cash Equivalents	\$ 52,399	\$ 16,058	\$ 5,387	\$ 595	\$ 885
Receivables (Net)	10,125	6,061	1,977	253	188
Due from Other Funds	748	350	239	154	1
Equity in Pooled Investments	-	-	-	-	-
Long-Term Loans/Notes Receivable	47,480	147	-	-	-
Investments	393,558	251,466	77,469	11,811	5,977
Land	-	49,399	-	-	-
TOTAL ASSETS	<u>\$ 504,310</u>	<u>\$ 323,481</u>	<u>\$ 85,072</u>	<u>\$ 12,813</u>	<u>\$ 7,051</u>
	=====	=====	=====	=====	=====
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ -	\$ 5,789	\$ -	\$ -	\$ -
Due to Other Funds	23,316	7,739	2,306	73	-
Deferred Revenue	-	-	276	-	-
Total Liabilities	<u>23,316</u>	<u>13,528</u>	<u>2,582</u>	<u>73</u>	<u>-</u>
Fund Balances:					
Reserved for Trust Principal	480,994	309,953	82,490	12,740	7,051
Total Fund Balances	<u>480,994</u>	<u>309,953</u>	<u>82,490</u>	<u>12,740</u>	<u>7,051</u>
TOTAL LIABILITIES/FUND BALANCES	<u>\$ 504,310</u>	<u>\$ 323,481</u>	<u>\$ 85,072</u>	<u>\$ 12,813</u>	<u>\$ 7,051</u>
	=====	=====	=====	=====	=====

REAL PROPERTY	NOXIOUS WEED MANAGEMENT	BN GERALDINE SETTLEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT- WHEELER MEMORIAL	TOTALS - JUNE 30	
						1992	1991
\$ 1,007	\$ 643	\$ 238	\$ 8	\$ 10	\$ 9	\$ 77,239	\$ 106,507
81	135	-	-	-	-	18,820	18,371
9	9	1	-	-	-	1,511	4,853
-	-	-	54	42	13	109	109
-	-	-	-	-	-	47,627	38,828
4,034	1,798	-	-	-	-	746,113	695,651
-	-	-	-	-	-	49,399	49,399
<u>\$ 5,131</u>	<u>\$ 2,585</u>	<u>\$ 239</u>	<u>\$ 62</u>	<u>\$ 52</u>	<u>\$ 22</u>	<u>\$ 940,818</u>	<u>\$ 913,718</u>
=====	=====	=====	=====	=====	=====	=====	=====
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,789	\$ 5,933
328	1	1	-	-	-	33,764	42,221
-	-	-	-	-	-	276	222
<u>328</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,829</u>	<u>48,376</u>
<u>4,803</u>	<u>2,584</u>	<u>238</u>	<u>62</u>	<u>52</u>	<u>22</u>	<u>900,989</u>	<u>865,342</u>
<u>4,803</u>	<u>2,584</u>	<u>238</u>	<u>62</u>	<u>52</u>	<u>22</u>	<u>900,989</u>	<u>865,342</u>
<u>\$ 5,131</u>	<u>\$ 2,585</u>	<u>\$ 239</u>	<u>\$ 62</u>	<u>\$ 52</u>	<u>\$ 22</u>	<u>\$ 940,818</u>	<u>\$ 913,718</u>
=====	=====	=====	=====	=====	=====	=====	=====

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Fund Balances
Nonexpendable Trust Funds

For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

	COAL TAX TRUST	LAND GRANTS	RESOURCE INDEMNITY	PARKS TRUST	CULTURAL, AESTHETIC TRUST
OPERATING REVENUES:					
Charges for Services	\$ -	\$ 6,633	\$ -	\$ -	\$ -
Investment Earnings	47,644	27,809	8,246	1,379	692
Taxes	-	-	5,165	-	267
Rentals/Leases/Royalties	-	19,967	-	-	-
Grants/Contracts/Donations	-	914	-	-	-
Other Operating Revenues	-	14	-	-	-
Total Operating Revenues	47,644	55,337	13,411	1,379	959
OPERATING EXPENSES:					
Grants	20	-	-	-	-
Other Operating Expenses	-	-	-	-	-
Total Operating Expenses	20	-	-	-	-
Income (Loss) before Operating Transfers	47,624	55,337	13,411	1,379	959
Operating Transfers In	17,240	-	-	-	-
Operating Transfers Out	(47,868)	(43,164)	(8,246)	(1,380)	(278)
Net Income (Loss)	16,996	12,173	5,165	(1)	681
FUND BALANCES - JULY 1 -					
As Previously Reported	464,308	297,780	77,325	18,883	-
Prior Period Adjustments	-	-	-	152	76
FUND BALANCES - JULY 1 - As Restated	464,308	297,780	77,325	19,035	76
Residual Equity Transfers	(310)	-	-	(6,294)	6,294
FUND BALANCES JUNE 30	\$ 480,994	\$ 309,953	\$ 82,490	\$ 12,740	\$ 7,051

REAL PROPERTY	NOXIOUS WEED MANAGEMENT	BN GERALDINE SETTLEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT- WHEELER MEMORIAL	TOTALS YEAR ENDED JUNE 30	
						1992	1991
\$ 517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,150	\$ 4,802
373	264	11	5	4	1	86,428	83,694
-	198	-	-	-	-	5,630	5,715
158	-	-	-	-	-	20,125	20,141
-	-	-	-	-	-	914	869
-	-	-	-	-	-	14	32
<u>1,048</u>	<u>462</u>	<u>11</u>	<u>5</u>	<u>4</u>	<u>1</u>	<u>120,261</u>	<u>115,253</u>
-	-	-	-	-	-	20	-
-	-	-	10	-	-	10	4
<u>-</u>	<u>-</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>30</u>	<u>4</u>
<u>1,048</u>	<u>462</u>	<u>11</u>	<u>(5)</u>	<u>4</u>	<u>1</u>	<u>120,231</u>	<u>115,249</u>
-	-	-	-	-	-	17,240	25,038
(792)	-	(11)	-	(3)	-	(101,742)	(97,008)
<u>256</u>	<u>462</u>	<u>-</u>	<u>(5)</u>	<u>1</u>	<u>1</u>	<u>35,729</u>	<u>43,279</u>
<u>4,547</u>	<u>2,122</u>	<u>238</u>	<u>67</u>	<u>51</u>	<u>21</u>	<u>865,342</u>	<u>821,987</u>
-	-	-	-	-	-	228	76
<u>4,547</u>	<u>2,122</u>	<u>238</u>	<u>67</u>	<u>51</u>	<u>21</u>	<u>865,570</u>	<u>822,063</u>
-	-	-	-	-	-	(310)	-
<u>\$ 4,803</u>	<u>\$ 2,584</u>	<u>\$ 238</u>	<u>\$ 62</u>	<u>\$ 52</u>	<u>\$ 22</u>	<u>\$ 900,989</u>	<u>\$ 865,342</u>

STATE OF MONTANA
Combining Statement of Cash Flows
Nonexpendable Trust Funds
June 30, 1992
(Expressed in Thousands)

	COAL TAX TRUST	LAND GRANTS	RESOURCE INDEMNITY	PARKS TRUST	CULTURAL, AESTHETIC TRUST
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts for Sales and Services	\$ -	\$ 6,507	\$ -	\$ -	\$ -
Donations Received	-	786	-	-	-
Scholarship/Fellowship Payments	-	-	-	-	-
Other Operating Revenue	-	14	-	-	-
Net Cash Provided by (Used for) Operating Activities	-	7,307	-	-	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Collection of Taxes	-	-	5,207	-	276
Transfers to Other Funds	(44,187)	(61,120)	(8,596)	(1,825)	(278)
Transfers from Other Funds	27,172	10	-	-	-
Residual Equity Transfers to Other Funds	(310)	-	-	(1,003)	-
Residual Equity Transfers from Other Funds	-	-	-	-	902
Interfund Loan Payments	-	-	-	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	(17,325)	(61,110)	(3,389)	(2,828)	900
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of Investments	(140,449)	(95,093)	(23,683)	(5,941)	(2,250)
Proceeds from Sales or Maturities of Investments	116,640	76,119	19,237	4,601	1,551
Interest and Dividends on Investments	43,868	27,486	8,370	1,492	684
Collections for Principal and Interest on Loans	13,212	-	-	-	-
Cash Payments for Loans	(18,590)	-	-	-	-
Collection of Rents/Leases/Royalties	-	20,076	-	-	-
Net Cash Provided by (Used for) Investing Activities	14,681	28,588	3,924	152	(15)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,644)	(25,215)	535	(2,676)	885
Cash and Cash Equivalents, July 1	55,043	41,273	4,852	3,271	-
Cash and Cash Equivalents, June 30	\$ 52,399	\$ 16,058	\$ 5,387	\$ 595	\$ 885

REAL PROPERTY	NOXIOUS WEED MANAGEMENT	BN GERALDINE SETTLEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE MEMORIAL	MERRITT- WHEELER MEMORIAL	TOTALS - JUNE 30	
						1992	1991
\$ 524	\$ -	- \$	- \$	- \$	- \$	7,031	\$ 4,785
-	-	-	-	-	-	786	869
-	-	-	(10)	-	-	(10)	(4)
-	-	-	-	-	-	14	32
524	-	-	(10)	-	-	7,821	5,682
-	113	-	-	-	-	5,596	5,710
(464)	-	(11)	-	(3)	-	(116,484)	(93,981)
-	-	-	-	-	-	27,182	20,505
-	-	-	-	-	-	(1,313)	-
-	-	-	-	-	-	902	-
-	-	-	-	-	-	-	(223)
(464)	113	(11)	-	(3)	-	(84,117)	(67,989)
(1,800)	(700)	-	-	-	-	(269,916)	(152,703)
904	502	-	-	-	-	219,554	126,183
359	257	10	5	4	1	82,536	80,973
-	-	-	-	-	-	13,212	7,704
-	-	-	-	-	-	(18,590)	(6,972)
156	-	-	-	-	-	20,232	20,147
(381)	59	10	5	4	1	47,028	75,332
(321)	172	(1)	(5)	1	1	(29,268)	13,025
1,328	471	239	13	9	8	106,507	93,482
\$ 1,007	\$ 643	238	8	10	9	77,239	\$ 106,507

(Continued on Next Page)

STATE OF MONTANA

Statement of Cash Flows - Continued

June 30, 1992

(Expressed in Thousands)

	COAL TAX TRUST	LAND GRANTS	RESOURCE INDEMNITY	PARKS TRUST	CULTURAL, AESTHETIC TRUST
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 47,624	\$ 55,337	\$ 13,411	\$ 1,379	\$ 959
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:					
Taxes	-	-	(5,165)	-	(267)
Interest on Investments	(47,644)	(27,810)	(8,246)	(1,379)	(692)
Rentals/Leases/Royalties	-	(19,967)	-	-	-
Change in Assets and Liabilities:					
Decr (Incr) in Due From Other Funds	-	(253)	-	-	-
Incr (Decr) in Due to Other Funds	20	-	-	-	-
Incr (Decr) in Deferred Revenue	-	-	-	-	-
Net Cash Provided by (Used for) Operating Activities	\$ -	\$ 7,307	\$ -	\$ -	\$ -

REAL PROPERTY	NOXIOUS WEED MANAGEMENT	BN GERALDINE SETTLEMENT	JIM BRADLEY MEMORIAL	THOMAS TEAKLE	MERRITT- WHEELER MEMORIAL	TOTALS - JUNE 30	
						1992	1991
\$ 1,048	\$ 462	11	(5)	4	1	\$ 120,231	\$ 115,249
-	(198)	-	-	-	-	(5,630)	(5,715)
(373)	(264)	(11)	(5)	(4)	(1)	(86,429)	(83,694)
(158)	-	-	-	-	-	(20,125)	(20,141)
7	-	-	-	-	-	(246)	(16)
-	-	-	-	-	-	20	(4)
-	-	-	-	-	-	-	3
\$ 524	-	-	(10)	-	-	\$ 7,821	\$ 5,682

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PENSION TRUST FUNDS

The Pension Trust Funds are used to account for public employee retirement systems. A brief description of each Pension Trust Fund follows.

Teachers' Retirement System - This fund accounts for resources used to provide retirement, disability, death and lump sum payments to members of Montana's public teaching profession. This fund also accounts for the administrative costs of the Teacher's Retirement Division which are paid from interest earnings of the pension trust fund. The system is funded from employer and employee contributions and interest earnings.

Public Employees' Retirement System (PERS) - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to qualified public employees. The system is funded from employer and employee contributions. This fund also accounts for the administrative costs, paid from investment earnings, of the Public Employees' Retirement Division, Department of Administration, which administers the activities of PERS and the following seven retirement systems:

Municipal Police Officers' Retirement System - This fund accounts for resources used to pay retirement, disability and death benefits to qualifying police officers employed by first and second class cities and other cities electing coverage. The system is funded from member, State and city contributions.

Unified Firefighters' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to firefighters employed by first and second class cities and other cities electing coverage. In addition to employer and employee contributions, the State contributes a portion of insurance premium taxes collected.

Sheriff's Retirement System - This fund accounts for member and county contributions to pay retirement, disability and death benefits to qualifying sheriffs.

Highway Patrolmen's Retirement System - This fund accounts for member and State contributions to pay retirement, disability and death benefits to qualifying highway patrolmen.

Judges' Retirement System - This fund accounts for member and State contributions used to pay retirement, disability and death benefits to Montana's judges. The system is also funded from a percentage of court fees collected.

Game Wardens' Retirement System - This fund accounts for the accumulation of resources used to pay retirement, disability and death benefits to game wardens employed by the State. In addition to employer and employee contributions, this fund receives collections of fines and forfeitures generated from fish and wildlife violations.

Volunteer Firefighters' of Unincorporated Areas Retirement System - This fund accounts for resources used to pay medical benefits and retirement, disability and death benefits to qualifying volunteer firefighters. Benefit payments are based upon the growth of the fund in the preceding year.

STATE OF MONTANA
Combining Balance Sheet
Pension Trust Funds
June 30, 1992
(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED	SHERIFFS
ASSETS:					
Cash/Cash Equivalents	\$ 45,890	\$ 47,719	\$ 1,026	\$ 1,106	\$ 1,335
Receivables (Net)	17,796	18,690	820	811	753
Interfund Loans Receivable	-	-	-	-	-
Due from Other Funds	3,259	1,237	3,096	3,504	20
Equity in Pooled Investments	192,140	152,636	5,922	5,548	5,608
Investments	747,100	618,109	30,458	31,512	33,452
Deferred (Gains) Losses	4,748	963	7	(199)	120
Land	25	35	-	-	-
Buildings/Improvements	197	158	-	-	-
Equipment	124	79	-	-	-
Accumulated Depreciation	(172)	(133)	-	-	-
Intangible Assets	2	1	-	-	-
TOTAL ASSETS	\$ 1,011,109	\$ 839,494	\$ 41,329	\$ 42,282	\$ 41,288
LIABILITIES/FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 870	\$ 188	\$ -	\$ -	\$ -
Interfund Loans Payable	-	-	-	-	-
Due to Other Governments	-	1	-	-	-
Due to Other Funds	2,232	43	26	24	10
Deferred Revenue	1	-	-	-	-
Property Held in Trust	200	125	-	-	-
Compensated Absences Payable	49	17	-	-	-
Total Liabilities	3,352	374	26	24	10
Fund Balances:					
Reserved for Retirement Systems	1,007,757	839,120	41,303	42,258	41,278
Total Fund Balances	1,007,757	839,120	41,303	42,258	41,278
TOTAL LIABILITIES/FUND BALANCES	\$ 1,011,109	\$ 839,494	\$ 41,329	\$ 42,282	\$ 41,288

HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS - JUNE 30	
				1992	1991
\$ 1,300	\$ 1,221	\$ 854	\$ 473	\$ 100,924	\$ 137,901
498	241	177	136	39,922	40,925
-	-	-	-	-	905
104	64	34	616	11,934	9,527
4,803	2,663	2,466	596	372,382	259,832
24,237	11,672	9,044	6,378	1,511,962	1,399,569
236	71	37	17	6,000	10,788
-	-	-	-	60	60
-	-	-	-	355	355
-	-	-	-	203	187
-	-	-	-	(305)	(279)
-	-	-	-	3	5
\$ 31,178	\$ 15,932	\$ 12,612	\$ 8,216	\$ 2,043,440	\$ 1,859,775
=====					

\$ -	\$ -	\$ -	\$ -	\$ 1,058	\$ 941
-	-	-	-	-	905
-	-	-	-	1	1
11	3	4	16	2,369	1,748
-	-	-	-	1	1
-	-	-	-	325	446
-	-	-	-	66	79
11	3	4	16	3,820	4,121
31,167	15,929	12,608	8,200	2,039,620	1,855,654
31,167	15,929	12,608	8,200	2,039,620	1,855,654
\$ 31,178	\$ 15,932	\$ 12,612	\$ 8,216	\$ 2,043,440	\$ 1,859,775
=====					

STATE OF MONTANA

Combining Statement of Revenues, Expenses and Changes in Fund Balances

Pension Trust Funds

For the Fiscal Year Ended June 30, 1992

(Expressed in Thousands)

	PERS	TEACHERS	MUNICIPAL POLICE	FIREFIGHTERS UNIFIED
	-----	-----	-----	-----
OPERATING REVENUES:				
Investment Earnings	\$ 85,453	\$ 70,474	\$ 3,256	\$ 3,294
Contributions/Premiums	70,091	70,524	5,578	5,601
Other Operating Revenues	-	37	-	-
Total Operating Revenues	<u>155,544</u>	<u>141,035</u>	<u>8,834</u>	<u>8,895</u>
Intrafund Revenues	(17)	-	-	-
Net Operating Revenues	<u>155,527</u>	<u>141,035</u>	<u>8,834</u>	<u>8,895</u>
OPERATING EXPENSES:				
Personal Services	523	299	-	-
Contractual Services	492	200	-	-
Supplies/Materials	11	16	-	-
Expendable Equipment	1	-	-	-
Benefits	58,997	60,903	5,238	4,933
Refunds	8,533	3,303	95	34
Depreciation	14	12	-	-
Amortization	2	2	-	-
Utilities/Rent	23	44	-	-
Communications	51	39	-	-
Travel	15	10	-	-
Repair/Maintenance	6	6	-	-
Other Operating Expenses	-	4	26	23
Total Operating Expenses	<u>68,668</u>	<u>64,838</u>	<u>5,359</u>	<u>4,990</u>
Intrafund Expenses	(17)	-	-	-
Net Operating Expenses	<u>68,651</u>	<u>64,838</u>	<u>5,359</u>	<u>4,990</u>
Income (Loss) before Operating Transfers	<u>86,876</u>	<u>76,197</u>	<u>3,475</u>	<u>3,905</u>
Operating Transfers In	1,379	1,433	125	115
Net Income (Loss)	<u>88,255</u>	<u>77,630</u>	<u>3,600</u>	<u>4,020</u>
FUND BALANCES - JULY 1 - As Previously Reported	919,502	761,504	37,703	38,238
Prior Period Adjustments	-	(14)	-	-
FUND BALANCES - JULY 1 - As Restated	<u>919,502</u>	<u>761,490</u>	<u>37,703</u>	<u>38,238</u>
FUND BALANCES - JUNE 30	<u>\$ 1,007,757</u>	<u>\$ 839,120</u>	<u>\$ 41,303</u>	<u>\$ 42,258</u>
	=====	=====	=====	=====

SHERIFFS	HIGHWAY PATROL	JUDGES	GAME WARDENS	VOLUNTEER FIREFIGHTERS	TOTALS YEAR ENDED JUNE 30	
					1992	1991
\$ 3,405 2,178 -	\$ 2,538 2,753 -	\$ 1,267 886 -	\$ 1,025 667 -	\$ 652 613 -	\$ 171,364 158,891 37	\$ 160,045 146,093 37
5,583	5,291	2,153	1,692	1,265	330,292	306,175
-	-	-	-	-	(17)	-
5,583	5,291	2,153	1,692	1,265	330,275	306,175
-	-	-	-	-	822	729
-	-	-	-	-	692	372
-	-	-	-	-	27	23
-	-	-	-	-	1	4
781	2,350	637	779	700	135,318	123,090
271	10	27	12	-	12,285	14,914
-	-	-	-	-	26	24
-	-	-	-	-	4	4
-	-	-	-	-	67	59
-	-	-	-	-	90	76
-	-	-	-	-	25	13
-	-	-	-	-	12	10
10	11	2	4	39	119	94
1,062	2,371	666	795	739	149,488	139,412
-	-	-	-	-	(17)	-
1,062	2,371	666	795	739	149,471	139,412
4,521	2,920	1,487	897	526	180,804	166,763
18	55	15	18	18	3,176	-
4,539	2,975	1,502	915	544	183,980	166,763
36,739	28,192	14,427	11,693	7,656	1,855,654	1,688,891
-	-	-	-	-	(14)	-
36,739	28,192	14,427	11,693	7,656	1,855,640	1,688,891
\$ 41,278	\$ 31,167	\$ 15,929	\$ 12,608	\$ 8,200	\$ 2,039,620	\$ 1,855,654
=====	=====	=====	=====	=====	=====	=====

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AGENCY FUNDS

The Agency Funds are used to account for assets held by the State as an agent for individuals, private organizations, other governments and other funds. A brief description of each Agency Fund follows.

Investment Pool - This fund accounts for idle cash invested on a pooled basis. Investment earnings on State funds are accounted for as revenue in either the fund providing the cash for investment or in the fund from which the earnings will be expended.

Employees' Deferred Compensation - State employees may defer a part of their compensation for the purpose of investment. This fund accounts for employee withholdings transferred to investing entities for allocation to employee designated investment plans.

Land Grant Interest - This fund accounts for interest and income earnings on nonexpendable trusts administered by the Department of State Lands pending distribution to units of the university system and State institutions.

Performance Deposits - This fund accounts for deposits held by the State pending compliance with performance agreements.

Central Payroll - This fund accounts for the accumulation of State employees' payroll and withholdings by the State Auditor's Office pending remittance to employees and other appropriate third parties.

Industrial Insurance Liquidation - This fund, administered by the Department of Labor and Industry, accounts for surety bonds, converting the bonds into cash to liquidate liabilities as necessary.

Custodial Accounts - This fund accounts for moneys belonging to State institution residents, students of the School for the Deaf and Blind, participants in the foster children and protective services programs and balances held by the Commissioner of Higher Education's Office for remittance, on behalf of eligible employees of the Montana University System, to the TIAA-CREF retirement fund.

Unissued Warrants - This fund reports the amount of warrants authorized by agency claims but not written or mailed by fiscal year-end.

Child Support Collections - This fund accounts for payments from parents under the Child Support Enforcement Program administered by the Department of Social & Rehabilitative Services.

Unclaimed Property - This fund accounts for property held by State agencies pending claim by the person entitled thereto. It includes proceeds from the sale of abandoned property, escheated and undistributed estates, stale-dated State warrants and unclaimed wages.

Uncleared Collections - This fund accounts for resources held pending distribution to other funds and local governments. Amounts due to other State funds have been recorded as a receivable and revenue in those funds.

A & E Advances - This fund accounts for moneys advanced by other agencies to the Department of Administration's Architecture and Engineering (A & E) Division for minor capital projects. The capital outlay expenditures are recorded in the funds which advanced the money.

Intergovernmental - This fund accounts for resources that flow through State agencies to federal and local governments.

Bad Debts - This fund accounts for amounts due to the State which have been written off as uncollectible by the receiving agency. The State Auditor's Office continues to attempt to collect amounts owing for a period of time after they are deemed uncollectible by the receiving agency.

Stock Estray - This fund accounts for the proceeds derived from the sale of estray animals.

Bondholders Payment Fund - This fund accounts for accumulated proceeds for payment to bondholders for unredeemed coupons attached to refunded bond issues.

STATE OF MONTANA
Combining Balance Sheet
Agency Funds
June 30, 1992
(Expressed in Thousands)

	INVESTMENT POOL	EMPLOYEES DEFERRED COMP.	LAND GRANT INTEREST	PERFORM. DEPOSITS	CENTRAL PAYROLL	INDUSTRIAL INSURANCE LIQUIDATION	CUSTODIAL ACCOUNTS
ASSETS:							
Cash/Cash Equivalents	\$ 376,482	\$ 2	\$ 1	\$ 8,986	\$ 365	\$ -	\$ 972
Receivables (Net)	4,078	-	-	3	-	-	-
Interfund Loans Receivable	-	-	-	370	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Due from Other Funds	-	67	-	22	17,383	-	95
Equity in Pooled Investments	110,546	-	-	-	-	-	-
Investments	-	79,672	-	-	-	-	-
Other Assets	-	-	-	3,331	-	40,288	-
TOTAL ASSETS	\$ 491,106	\$ 79,741	\$ 1	\$ 12,712	\$ 17,748	\$ 40,288	\$ 1,067
LIABILITIES:							
Accounts Payable	\$ 3,528	\$ -	\$ -	\$ 149	\$ -	\$ -	\$ 96
Interfund Loans Payable	-	-	-	-	-	-	-
Due to Other Governments	260,635	-	-	-	-	-	-
Due to Other Funds	2,603	-	1	202	124	-	65
Property Held in Trust	224,340	79,741	-	9,742	17,624	40,288	906
Other Liabilities	-	-	-	2,619	-	-	-
TOTAL LIABILITIES	\$ 491,106	\$ 79,741	\$ 1	\$ 12,712	\$ 17,748	\$ 40,288	\$ 1,067

										TOTALS - JUNE 30	
UNISSUED WARRANTS	CHILD SUPPORT COLLECTIONS	UNCLAIMED PROPERTY	INTER- GOVERNMENTAL	A & E ADVANCES	UNCLEARED COLLECTIONS	BAD DEBTS	STOCK ESTRAY	BONDHOLDERS PAYMENT FUND		1992	1991
\$ 2,890	\$ 1,633	\$ 1,260	\$ 850	\$ 89	\$ 6,573	\$ 198	\$ 34	\$ 19	\$ 400,354	\$ 435,271	
-	-	174	4	-	-	-	-	-	4,259	6,883	
-	-	-	-	-	-	-	-	-	370	-	
-	-	-	472	-	-	-	-	-	472	16	
15	11	-	3	-	10	-	28	-	17,634	13,324	
-	-	-	-	-	-	-	-	-	110,546	54,870	
-	-	-	-	-	-	-	-	-	79,672	70,386	
-	-	-	-	-	-	-	-	-	43,619	29,190	
\$ 2,905	\$ 1,644	\$ 1,434	\$ 1,329	\$ 89	\$ 6,583	\$ 198	\$ 62	\$ 19	\$ 656,926	\$ 609,940	
\$ -	\$ 674	\$ 3	\$ 490	\$ 7	\$ -	\$ -	\$ 2	\$ -	\$ 4,949	\$ 12,620	
-	-	-	-	-	-	-	-	-	-	5,009	
-	-	-	423	-	-	-	-	-	261,058	229,619	
1,492	970	127	48	12	6,366	82	1	-	12,093	10,641	
1,402	-	1,304	368	70	213	116	59	19	376,192	349,828	
11	-	-	-	-	4	-	-	-	2,634	2,223	
\$ 2,905	\$ 1,644	\$ 1,434	\$ 1,329	\$ 89	\$ 6,583	\$ 198	\$ 62	\$ 19	\$ 656,926	\$ 609,940	

STATE OF MONTANA

Statement of Changes in Assets and Liabilities

For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

FUND	BALANCE July 1, 1991	Additions	Deductions	BALANCE June 30, 1992
INVESTMENT POOL:				
ASSETS				
Cash/Cash Equivalents	\$ 408,633	\$ 21,109,306	\$ 21,141,457	\$ 376,482
Receivables (Net)	6,615	52,618	55,155	4,078
Due from Other Funds	-	53	53	-
Equity in Pooled Investments	54,870	743,826	688,150	110,546
Total Assets	\$ 470,118	\$ 21,905,803	\$ 21,884,815	\$ 491,106
LIABILITIES				
Accounts Payable	\$ 9,066	\$ 3,528	\$ 9,066	\$ 3,528
Interfund Loans Payable	5,000	-	5,000	-
Due to Other Governments	229,136	461,825	430,326	260,635
Due to Other Funds	-	2,655	52	2,603
Property Held in Trust	226,916	3,938,309	3,940,885	224,340
Total Liabilities	\$ 470,118	\$ 4,406,317	\$ 4,385,329	\$ 491,106
EMPLOYEES DEFERRED COMP.:				
ASSETS				
Cash/Cash Equivalents	\$ 1	\$ 6,969	\$ 6,968	\$ 2
Due from Other Funds	287	67	287	67
Investments	70,386	10,118	832	79,672
Total Assets	\$ 70,674	\$ 17,154	\$ 8,087	\$ 79,741
LIABILITIES				
Property Held in Trust	\$ 70,674	\$ 10,033	\$ 966	\$ 79,741
LAND GRANT INTEREST:				
ASSETS				
Cash/Cash Equivalents	\$ 3	\$ 105	\$ 107	\$ 1
LIABILITIES				
Due to Other Funds	\$ 3	\$ 1	\$ 3	\$ 1
PERFORM. DEPOSITS:				
ASSETS				
Cash/Cash Equivalents	\$ 7,407	\$ 27,812	\$ 26,233	\$ 8,986
Receivables (Net)	5	13	15	3
Interfund Loans Receivable	-	870	500	370
Due from Other Funds	3	24	5	22
Other Assets	3,384	1,470	1,523	3,331
Total Assets	\$ 10,799	\$ 30,189	\$ 28,276	\$ 12,712
LIABILITIES				
Accounts Payable	\$ 122	\$ 292	\$ 265	\$ 149
Due to Other Funds	94	204	96	202
Property Held in Trust	8,397	12,570	11,225	9,742
Other Liabilities	2,186	9,961	9,528	2,619
Total Liabilities	\$ 10,799	\$ 23,027	\$ 21,114	\$ 12,712
CENTRAL PAYROLL:				
ASSETS				
Cash/Cash Equivalents	\$ 871	\$ 348,963	\$ 349,469	\$ 365
Due from Other Funds	12,865	17,511	12,993	17,383
Total Assets	\$ 13,736	\$ 366,474	\$ 362,462	\$ 17,748
LIABILITIES				
Accounts Payable	\$ 2,778	\$ -	\$ 2,778	\$ -
Due to Other Funds	2,151	251	2,278	124
Property Held in Trust	8,780	353,527	344,683	17,624
Other Liabilities	27	26	53	-
Total Liabilities	\$ 13,736	\$ 353,804	\$ 349,792	\$ 17,748

(Continued on Next Page)

STATE OF MONTANA

Combining Statement of Changes in Assets and Liabilities Contin
Agency FundsFor the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

FUND	BALANCE July 1, 1991	Additions	Deductions	BALANCE June 30, 1992
INDUSTRIAL INSURANCE LIQUIDATION:				
ASSETS				
Other Assets	\$ 25,806	\$ 42,879	\$ 28,397	\$ 40,288
	=====	=====	=====	=====
LIABILITIES				
Property Held in Trust	\$ 25,806	\$ 42,879	\$ 28,397	\$ 40,288
	=====	=====	=====	=====
CUSTODIAL ACCOUNTS:				
ASSETS				
Cash/Cash Equivalents	\$ 971	\$ 3,233	\$ 3,232	\$ 972
Receivables (Net)	-	37	37	-
Due from Other Funds	65	97	67	95
	=====	=====	=====	=====
Total Assets	\$ 1,036	\$ 3,367	\$ 3,336	\$ 1,067
	=====	=====	=====	=====
LIABILITIES				
Accounts Payable	\$ 64	\$ 129	\$ 97	\$ 96
Interfund Loans Payable	9	15	24	-
Due to Other Funds	51	65	51	65
Property Held in Trust	912	2,197	2,203	906
	=====	=====	=====	=====
Total Liabilities	\$ 1,036	\$ 2,406	\$ 2,375	\$ 1,067
	=====	=====	=====	=====
UNISSUED WARRANTS:				
ASSETS				
Cash/Cash Equivalents	\$ 8,169	\$ 3,635,960	\$ 3,641,239	\$ 2,890
Due from Other Funds	2	15	2	15
	=====	=====	=====	=====
Total Assets	\$ 8,171	\$ 3,635,975	\$ 3,641,241	\$ 2,905
	=====	=====	=====	=====
LIABILITIES				
Due to Other Funds	1,665	1,492	1,665	1,492
Property Held in Trust	6,506	3,652,178	3,657,282	1,402
Other Liabilities	-	22,424	22,413	11
	=====	=====	=====	=====
Total Liabilities	\$ 8,171	\$ 3,676,094	\$ 3,681,360	\$ 2,905
	=====	=====	=====	=====
CHILD SUPPORT COLLECTIONS:				
ASSETS				
Cash/Cash Equivalents	\$ 1,172	\$ 27,961	\$ 27,500	\$ 1,633
Due from Other Funds	35	17	41	11
	=====	=====	=====	=====
Total Assets	\$ 1,207	\$ 27,978	\$ 27,541	\$ 1,644
	=====	=====	=====	=====
LIABILITIES				
Accounts Payable	\$ 477	\$ 677	\$ 480	\$ 674
Due to Other Funds	730	976	736	970
	=====	=====	=====	=====
Total Liabilities	\$ 1,207	\$ 1,653	\$ 1,216	\$ 1,644
	=====	=====	=====	=====
UNCLAIMED PROPERTY:				
ASSETS				
Cash/Cash Equivalents	\$ 920	\$ 2,843	\$ 2,503	\$ 1,260
Receivables (Net)	243	80	149	174
Due from Other Funds	4	-	4	-
	=====	=====	=====	=====
Total Assets	\$ 1,167	\$ 2,923	\$ 2,656	\$ 1,434
	=====	=====	=====	=====
LIABILITIES				
Accounts Payable	\$ 18	\$ 3	\$ 18	\$ 3
Due to Other Funds	-	127	-	127
Property Held in Trust	1,149	1,412	1,257	1,304
	=====	=====	=====	=====
Total Liabilities	\$ 1,167	\$ 1,542	\$ 1,275	\$ 1,434
	=====	=====	=====	=====

(Continued on Next Page)

STATE OF MONTANA
Combining Statement of Changes in Assets and Liabilities - Continued
Agency Funds
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

FUND	BALANCE July 1, 1991	Additions	Deductions	BALANCE June 30, 1992
INTERGOVERNMENTAL:				
ASSETS				
Cash/Cash Equivalents	\$ 835	\$ 42,178	\$ 42,163	\$ 850
Receivables (Net)	4	5	5	4
Due from Other Governments	16	472	16	472
Due from Other Funds	4	4	5	3
Total Assets	\$ 859	\$ 42,659	\$ 42,189	\$ 1,329
LIABILITIES				
Accounts Payable	\$ 55	\$ 597	\$ 162	\$ 490
Due to Other Governments	483	83	143	423
Due to Other Funds	20	50	22	48
Property Held in Trust	301	2,103	2,036	368
Total Liabilities	\$ 859	\$ 2,833	\$ 2,363	\$ 1,329
A & E ADVANCES:				
ASSETS				
Cash/Cash Equivalents	\$ 134	\$ 1,658	\$ 1,703	\$ 89
Due from Other Funds	47	-	47	-
Total Assets	\$ 181	\$ 1,658	\$ 1,750	\$ 89
LIABILITIES				
Accounts Payable	\$ 7	\$ 7	\$ 7	\$ 7
Due to Other Funds	17	12	17	12
Property Held in Trust	157	1,574	1,661	70
Total Liabilities	\$ 181	\$ 1,593	\$ 1,685	\$ 89
UNCLEARED COLLECTIONS:				
ASSETS				
Cash/Cash Equivalents	\$ 6,061	\$ 61,212	\$ 60,700	\$ 6,573
Receivables	16	286	302	-
Due from Other Funds	11	42	43	10
Total Assets	\$ 6,088	\$ 61,540	\$ 61,045	\$ 6,583
LIABILITIES				
Accounts Payable	\$ 33	\$ 5	\$ 38	\$ -
Due to Other Funds	5,822	6,366	5,822	6,366
Property Held in Trust	223	7,338	7,348	213
Other Liabilities	10	51,613	51,619	4
Total Liabilities	\$ 6,088	\$ 65,322	\$ 64,827	\$ 6,583
BAD DEBTS:				
ASSETS				
Cash/Cash Equivalents	\$ 94	\$ 2,244	\$ 2,140	\$ 198
Due from Other Funds	1	2	3	-
Total Assets	\$ 95	\$ 2,246	\$ 2,143	\$ 198
LIABILITIES				
Due to Other Funds	\$ 88	\$ 83	\$ 89	\$ 82
Property Held in Trust	7	1,413	1,304	116
Total Liabilities	\$ 95	\$ 1,496	\$ 1,393	\$ 198

(Continued on Next Page)

STATE OF MONTANA

Combining Statement of Changes in Assets and Liabilities Continued
Agency FundsFor the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

FUND	BALANCE July 1, 1991	Additions	Deductions	BALANCE June 30, 1992
STOCK ESTRAY:				
ASSETS				
Cash/Cash Equivalents	\$ -	\$ 36	\$ 2	\$ 34
Due from Other Funds	-	29	1	28
Total Assets	- \$	65 \$	3 \$	62
LIABILITIES				
Accounts Payable	\$ -	\$ 2	\$ -	\$ 2
Due to Other Funds	-	2	1	1
Property Held in Trust	-	65	6	59
Total Liabilities	- \$	69 \$	7 \$	62
BONDHOLDERS PAYMENT:				
ASSETS				
Cash/Cash Equivalents	\$ -	\$ 37	\$ 18	\$ 19
LIABILITIES				
Property Held in Trust	\$ -	\$ 37	\$ 18	\$ 19
TOTALS - ALL AGENCY FUNDS				
ASSETS				
Cash/Cash Equivalents	\$ 435,271	\$ 25,270,517	\$ 25,305,434	\$ 400,354
Receivables (Net)	6,883	53,039	55,663	4,259
Interfund Loan Receivable	-	870	500	370
Due from Other Governments	16	472	16	472
Due from Other Funds	13,324	17,861	13,551	17,634
Equity in Pooled Investments	54,870	743,826	688,150	110,546
Investments	70,386	10,118	832	79,672
Other Assets	29,190	44,349	29,920	43,619
TOTAL ASSETS	\$ 609,940	\$ 26,141,052	\$ 26,094,066	\$ 656,926
LIABILITIES				
Accounts Payable	\$ 12,620	\$ 5,240	\$ 12,911	\$ 4,949
Interfund Loans Payable	5,009	15	5,024	-
Due to Other Governments	229,619	461,908	430,469	261,058
Due to Other Funds	10,641	12,284	10,832	12,093
Property Held in Trust	349,828	8,025,635	7,999,271	376,192
Other Liabilities	2,223	84,024	83,613	2,634
TOTAL LIABILITIES	\$ 609,940	\$ 8,589,106	\$ 8,542,120	\$ 656,926

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is maintained to account for fixed assets acquired or constructed for use in operations which are accounted for in governmental funds. These include all fixed assets except those of the Enterprise, Internal Service, Nonexpendable Trust, Pension Trust and Higher Education Funds.

STATE OF MONTANA
Schedule of General Fixed Assets by Source
June 30, 1992
(Expressed in Thousands)

General Fixed Assets:

Land	\$ 52,642
Buildings/Other Improvements	231,976
Equipment	85,200
Other Fixed Assets	43,693
Construction in Progress	5,253

Total General Fixed Assets	\$ 418,764
	=====

Investments in General Fixed Assets From:

General Fund Fixed Assets	\$ 211,538
State Special Revenue Fund Fixed Assets	100,674
Federal Special Revenue Fund Fixed Assets	34,684
Capital Projects Fund Fixed Assets	16,370
Expendable Trust Fund Fixed Assets	113
Donated Fixed Assets	55,386

Total Investments in General Fixed Assets	\$ 418,764
	=====

STATE OF MONTANA
Schedule of General Fixed Assets by Function and Activity
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

Function and Activity	Land	Buildings and Improvements	Equipment	Other Fixed Assets	Total
General Government					
Legislative	\$ -	\$ -	\$ 1,658	\$ -	\$ 1,658
Executive	2,694	38,615	5,416	112	46,837
Judicial	-	-	688	189	877
Total General Government	2,694	38,615	7,762	301	49,372
Public Safety/Corrections					
Law Enforcement	330	16,013	8,631	2	24,976
Corrections	2,054	32,310	3,943	6	38,313
Professional/Business Regulation	-	-	929	14	943
Safety	-	-	608	51	659
Total Public Safety/Corrections	2,384	48,323	14,111	73	64,891
Transportation	4,790	30,119	13,004	-	47,913
Health/Social Services					
Health/Environment	-	300	4,279	-	4,579
Social Serv/Welfare/Mentl Hlth	140	31,849	13,738	1	45,728
Veterans Affairs	-	2,804	559	-	3,363
Total Health/Social Services	140	34,953	18,576	1	53,670
Educational/Cultural					
Educational	1,981	8,221	4,935	1,399	16,536
Cultural	186	379	348	41,913	42,826
Total Educational/Cultural	2,167	8,600	5,283	43,312	59,362
Resource Development/Recreation					
Resource Development	1,635	47,416	10,287	-	59,338
Recreation	38,511	20,384	6,674	5	65,574
Agricultural	-	-	1,150	-	1,150
Total Resource Development/Recreation	40,146	67,800	18,111	5	126,062
Economic Development/Assistance	321	3,566	8,353	1	12,241
Construction in Progress	-	-	-	-	5,253
Total General Fixed Assets	\$ 52,642	\$ 231,976	\$ 85,200	\$ 43,693	\$ 418,764

STATE OF MONTANA
Schedule of Changes in General Fixed Assets by Function and Activity
For the Fiscal Year Ended June 30, 1992
(Expressed in Thousands)

Function and Activity	General Fixed Assets July 1, 1991	Additions	Deletions	General Fixed Assets June 30, 1992
General Government				
Legislative	\$ 1,459	\$ 289	\$ 90	\$ 1,658
Executive	46,772	566	501	46,837
Judicial	911	9	43	877
Total General Government	49,142	864	634	49,372
Public Safety/Corrections				
Law Enforcement	26,654	17,059	18,737	24,976
Corrections	41,216	146	3,049	38,313
Professional/Business Regulation	920	298	275	943
Safety	750	42	133	659
Total Public Safety/Corrections	69,540	17,545	22,194	64,891
Transportation	46,606	4,969	3,662	47,913
Health/Social Services				
Health/Environment	4,467	347	235	4,579
Social Services/Welfare/Mentl Hlth	41,821	5,494	1,587	45,728
Veterans Affairs	3,162	202	1	3,363
Total Health/Social Services	49,450	6,043	1,823	53,670
Educational/Cultural				
Educational	14,375	2,610	449	16,536
Cultural	42,807	34	15	42,826
Total Educational/Cultural	57,182	2,644	464	59,362
Resource Development/Recreation				
Resource Development	58,120	3,311	2,093	59,338
Recreation	63,370	2,641	437	65,574
Agricultural	1,077	74	1	1,150
Total Resource Development/Recreation	122,567	6,026	2,531	126,062
Economic Development/Assistance	11,442	1,326	527	12,241
Construction in Progress	4,710	1,558	1,015	5,253
Total General Fixed Assets	\$ 410,639	\$ 40,975	\$ 32,850	\$ 418,764

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HIGHER EDUCATION FUNDS

The Higher Education Funds are used to account for all transactions relating to the State's public institutions of higher education, including six university units and five vocational-technical centers. A brief description of each Higher Education Fund follows.

Current Funds

Unrestricted

General Operating - This fund includes the portion of financial resources that can be expended for general operations and is free of externally imposed restrictions, except those imposed by the Legislature.

Designated - This fund includes financial resources associated with general operations which are separately classified in order to accumulate costs that are to be recharged to other funds. It also identifies educational departments' special activities that are fully supported by supplemental assessments and identifies special supply and facility fees that are approved for collections beyond normal course fees and their disposition.

Auxiliary - This fund includes those financial resources devoted to providing essential on-campus services primarily to students, faculty or staff where a fee relating to the service is charged.

Restricted - This fund includes the portion of financial resources that can be expended for general operations but only for purposes imposed by sources external to the Board of Regents and the Legislature.

Fiduciary Funds

Student Loans - This fund accounts for moneys which may be loaned to students, faculty or staff for purposes related to education, organized research or public services by the higher education system.

Endowment - This fund accounts for moneys where the principal is available for investment. Investment earnings are to be transferred to appropriate operating funds pursuant to prevailing administrative requirements.

Agency - This fund accounts for moneys where the State acts in the capacity of a custodian or fiscal agent for individual students, faculty, staff or qualified organizations.

Plant Funds

Unexpended - This fund accounts for unexpended resources derived from various sources to finance the acquisition of plant assets and the associated liabilities.

Renewal and Replacement - This fund's resources provide for the renewal and replacement of plant fund assets as distinguished from additions and improvements.

Retirement of Indebtedness - This fund accumulates resources for interest and principal payments and other debt service charges, including contributions to reserves, relating to plant fund indebtedness.

Investment in Plant - This fund includes all long-lived assets in the service of the higher education unit as well as all associated liabilities.

STATE OF MONTANA
Combining Balance Sheet
All Higher Education Funds
June 30, 1992
(Expressed in Thousands)

	CURRENT FUNDS			
	UNRESTRICTED			
	GENERAL OPERATING	DESIGNATED	AUXILIARY	RESTRICTED
ASSETS:				
Cash/Cash Equivalents	\$ 15,000	\$ 11,108	\$ 10,072	\$ 3,011
Receivables (Net)	3,247	1,053	711	5,568
Interfund Loans Receivable	500	550	-	-
Due from Other Governments	2	1	-	1,532
Due from Other Funds	2,338	1,876	419	961
Inventories	101	1,697	2,431	-
Equity in Pooled Investments	-	-	-	-
Long-Term Notes/Loans Receivable	-	-	-	-
Investments	-	-	-	-
Land	-	-	-	-
Buildings/Improvements	-	-	-	-
Equipment	-	-	-	-
Other Fixed Assets	-	-	-	-
Construction in Progress	-	-	-	-
Intangible Assets	-	-	-	-
Other Assets	1,469	365	37	53
TOTAL ASSETS	<u>\$ 22,657</u>	<u>\$ 16,650</u>	<u>\$ 13,670</u>	<u>\$ 11,125</u>
LIABILITIES/FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 12,119	\$ 2,763	\$ 2,159	\$ 2,763
Interfund Loans Payable	-	-	-	1,000
Due to Other Governments	69	32	-	25
Due to Other Funds	3,213	1,250	1,989	1,614
Deferred Revenue	3,119	435	607	2,984
Installment Purchase/Lease Payable	-	-	-	-
Bonds/Notes Payable	-	-	-	-
Property Held in Trust	70	2	329	-
Compensated Absences Payable	15,827	2,152	1,087	-
Other Liabilities	-	-	-	-
Total Liabilities	<u>34,417</u>	<u>6,634</u>	<u>6,171</u>	<u>8,386</u>
Fund Balances:				
Net Investment in Plant	-	-	-	-
Reserved For:				
Encumbrances	1,053	62	4	108
Debt Service	-	-	-	-
Student Loans/Endowments	-	-	-	-
Unreserved	(12,813)	9,954	7,495	2,631
Total Fund Balances	<u>(11,760)</u>	<u>10,016</u>	<u>7,499</u>	<u>2,739</u>
TOTAL LIABILITIES/FUND BALANCES	<u>\$ 22,657</u>	<u>\$ 16,650</u>	<u>\$ 13,670</u>	<u>\$ 11,125</u>

FIDUCIARY FUNDS

PLANT FUNDS

STUDENT LOANS	ENDOWMENTS	AGENCY	UNEXPENDED	RENEWAL AND REPLACEMENT	RETIREMENT OF INDEBTEDNESS	INVESTMENT IN PLANT	TOTALS - JUNE 30	
							1992	1991
\$ 2,035	\$ 1,632	\$ 2,136	\$ 3,763	\$ 4,487	\$ 5,214	\$ -	\$ 58,458	\$ 47,783
20,341	-	125	122	127	979	-	32,273	27,996
-	-	-	-	-	-	-	1,050	1,650
-	-	-	-	-	-	-	1,535	1,212
74	-	3,434	179	317	1,670	-	11,268	8,539
-	-	-	-	-	-	-	4,229	4,488
-	290	42	-	-	-	-	332	332
23	-	-	-	-	-	-	23	1,143
-	643	-	189	2,163	9,740	-	12,735	13,252
-	-	-	-	-	-	11,226	11,226	11,110
-	-	-	-	-	-	281,843	281,843	278,532
-	-	-	-	-	-	96,816	96,816	87,180
-	-	-	-	-	-	59,966	59,966	56,513
-	-	-	1,447	1,289	-	442	3,178	2,752
-	-	-	-	-	-	1,888	1,888	1,440
-	-	1	25	18	1,407	-	3,375	3,117
<u>\$ 22,473</u>	<u>\$ 2,565</u>	<u>\$ 5,738</u>	<u>\$ 5,725</u>	<u>\$ 8,401</u>	<u>\$ 19,010</u>	<u>\$ 452,181</u>	<u>\$ 580,195</u>	<u>\$ 547,039</u>

\$ 21	\$ -	\$ 756	\$ 116	\$ 349	\$ 1,576	\$ -	\$ 22,622	\$ 20,193
-	-	50	-	-	-	-	1,050	1,650
-	-	22	-	-	-	-	148	39
14	2	2,118	129	531	76	-	10,936	8,592
-	-	2	62	65	31	-	7,305	3,628
-	-	-	-	-	-	3,780	3,780	2,552
-	-	-	1,628	150	-	75,363	77,141	80,875
-	-	2,790	-	-	-	-	3,191	3,120
-	-	-	-	-	-	-	19,066	16,899
-	-	-	-	-	-	-	-	17
<u>35</u>	<u>2</u>	<u>5,738</u>	<u>1,935</u>	<u>1,095</u>	<u>1,683</u>	<u>79,143</u>	<u>145,239</u>	<u>137,565</u>
-	-	-	-	-	-	373,038	373,038	353,215
-	-	-	77	45	-	-	1,349	1,323
-	-	-	-	-	17,366	-	17,366	16,953
22,438	2,563	-	-	-	-	-	25,001	23,030
-	-	-	3,713	7,261	(39)	-	18,202	14,953
<u>22,438</u>	<u>2,563</u>	<u>-</u>	<u>3,790</u>	<u>7,306</u>	<u>17,327</u>	<u>373,038</u>	<u>434,956</u>	<u>409,474</u>
<u>\$ 22,473</u>	<u>\$ 2,565</u>	<u>\$ 5,738</u>	<u>\$ 5,725</u>	<u>\$ 8,401</u>	<u>\$ 19,010</u>	<u>\$ 452,181</u>	<u>\$ 580,195</u>	<u>\$ 547,039</u>

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Montana

STATISTICAL AND ECONOMIC DATA

Financial presentations included in this section provide users with an historical perspective through detailed data on economic and social characteristics, financial trends and the fiscal capacity of the State.



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STATE OF MONTANA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years
(Expressed in Thousands)

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
Licenses/Permits (2)	\$ 53,400	\$ 51,156	\$ 63,744	\$ 77,537	\$ 80,444	\$ 62,574	\$ 64,075	\$ 55,229	\$ 74,152	\$ 82,744
Taxes (1) (2)	401,895	474,850	519,175	599,112	578,509	715,724	725,748	776,368	864,057	850,916
Chrgs-Srvs./Fines/Forfts.	10,296	27,899	18,635	35,125	48,340	52,990	54,467	56,929	43,678	52,527
Investment Earnings	86,051	105,624	118,036	68,879	24,920	31,149	34,018	37,263	31,655	24,791
Reimbursements	19,083	11,826	15,681	-	-	-	-	-	-	-
Sale-Doc./Mdse./Prop.	5,953	2,298	16,245	15,220	5,749	3,382	2,920	5,548	17,146	18,091
Rentals/Leases/Royalties	1,139	1,350	1,389	888	796	383	449	363	528	397
Contributions/Premiums	42	271	341	280	451	410	663	3,199	4,113	3,355
Grants/Contrts./Donations	7,238	1,924	2,034	3,942	6,254	5,936	4,649	8,473	7,004	3,611
Federal	281,502	336,201	390,240	400,247	413,923	427,381	445,402	451,107	532,244	585,047
Federal IDC Recoveries	-	-	-	3,032	3,296	1,747	1,880	1,790	1,823	1,738
Other Revenues	1,707	2,902	2,372	6,967	6,193	5,052	5,147	2,078	2,367	2,792
Totals	\$868,306	\$1,016,301	\$1,147,892	\$1,211,229	\$1,168,875	\$1,306,728	\$1,339,418	\$1,398,347	\$1,578,767	\$1,626,009

NOTES: (1) Prior to 1986, the 45 mill levy supporting the School Foundation program was not included.
(2) 1988 - A change in reporting the State's insurance premium tax resulted in an increase in Taxes with a corresponding decrease in Licenses/Permits.

STATE OF MONTANA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
Last Ten Fiscal Years
(Expressed in Thousands)

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
General Government (1)	\$ 73,748	\$ 50,420	\$ 51,268	\$ 56,461	\$ 51,054	\$ 46,308	\$ 52,065	\$ 54,402	\$ 111,570	\$ 117,114
Public Safety/Corrections	46,576	50,646	56,191	57,382	58,140	66,366	72,616	80,804	87,121	100,864
Transportation	161,891	213,698	264,285	269,806	242,470	233,092	237,827	259,438	280,416	287,768
Health/Social Services	248,355	270,033	291,851	304,708	352,299	358,860	391,857	405,008	482,864	539,052
Education/Cultural (2)	203,919	213,977	222,631	318,640	313,616	328,669	337,251	335,865	441,392	445,180
Resource Dev./Recreation	43,588	45,698	51,675	52,385	48,468	57,630	77,171	55,100	63,426	71,791
Economic Dev./Assistance	34,367	76,198	84,866	87,887	87,737	71,197	76,057	76,363	86,272	79,998
Debt Service:										
Principal Retirement	3,734	61,311	7,586	55,491	116,393	9,176	9,841	12,268	13,244	34,344
Interest/Fiscal Chrgs.	7,244	12,944	16,829	21,957	22,859	21,751	21,922	21,186	21,111	23,042
Capital Outlay	25,701	30,159	39,096	41,118	30,815	30,669	28,130	33,576	24,256	25,935
Totals	\$849,123	\$1,025,084	\$1,086,278	\$1,265,835	\$1,323,851	\$1,223,718	\$1,304,737	\$1,334,010	\$1,611,672	\$1,725,088

NOTES: (1) Fiscal year 1991 includes the first year of distribution to local governments of oil and gas severance taxes and a significant increase in the reimbursement to local governments for loss of property tax revenue associated with the reduction of class 8 property tax rates.
(2) Prior to 1986, the 45 mill levy supporting the School Foundation program was not included.

STATE OF MONTANA
PROPERTY TAX LEVIES AND COLLECTIONS (1)
Last Ten Fiscal Years
(Expressed in Thousands)

FISCAL YEAR	TOTAL TAX LEVY(a)	TOTAL TAX COLLECTIONS(b)	PERCENT OF TOTAL TAX COLLECTIONS TO TAX LEVY
1983	\$ 15,084	\$ 14,213	94.2 %
1984	14,987	15,018	100.2
1985	16,025	17,014	106.2
1986	16,272	16,879	103.7
1987	15,656	15,665	100.0
1988	13,771	14,561	105.7
1989	11,641	13,423	115.3
1990	11,705	13,475	115.1
1991	68,418	69,490	101.6
1992	73,815	90,230	122.2

NOTE: (1) Property taxes are levied in one fiscal year and collected in subsequent fiscal years (i.e., the fiscal year column relates to the column "Total Tax Collections" only). The increase in fiscal year 1991 is due to the school equalization aid levy of 40 mills established by the 1989 Legislature.

SOURCES: (a) Montana Department of Revenue Reports to the Legislature
(b) Montana Statewide Budgeting and Accounting System

STATE OF MONTANA
TAXABLE AND MARKET (ASSESSED) VALUE OF PROPERTY (1)
Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Taxable to Total Market (Assessed) Value
	Taxable Value	Assessed Value	Taxable Value	Assessed Value	Taxable Value	Assessed Value	
1983	\$ 1,881,320	\$ 11,901,426	\$ 352,065	\$ 3,895,305	\$ 2,233,385	\$ 15,796,731	14.1 %
1984	1,947,241	12,598,756	383,642	4,133,338	2,330,883	16,732,094	13.9
1985	2,016,373	13,094,912	353,760	3,855,595	2,370,133	16,950,507	14.0
1986	1,981,731	24,060,549	324,557	3,630,367	2,306,288	27,690,916	8.3
1987	1,677,107	23,505,493	323,638	3,880,354	2,000,745	27,385,847	7.3
1988	1,642,100	22,509,982	300,850	3,697,063	1,942,950	26,207,045	7.4
1989	1,598,881	23,120,074	308,523	3,799,252	1,907,404	26,919,326	7.1
1990	1,274,023	22,082,879	272,948	3,988,239	1,546,971	26,071,118	5.9
1991	1,303,834	23,534,838	291,388	4,248,460	1,595,222	27,783,298	5.7
1992	1,336,544	24,156,048	296,079	4,265,243	1,632,623	28,421,291	5.7

NOTE: (1) - Taxable property in Montana must be assessed at 100% of its market value except mining property and agricultural lands. Mining property is assessed based on net and gross proceeds from mineral production. The assessment on agricultural land is based on productive capacity.

- Taxable value is that against which the mill levy is applied. These values are arrived at by the appropriate ratios found in Montana's Classification Act to the assessed values (e.g., the taxable value of residential property is 3.86% of its assessed value).

- The increase in Fiscal Year 1986 was primarily due to a reappraisal from 1978 values to 1982 values.

SOURCE: Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
PROPERTY TAX RATES
(Per \$100 of Taxable Value)
Last Ten Fiscal Years

State of Montana						
Fiscal Year	Special Revenue Funds	Schools	Counties	Cities	Miscellaneous	Total
1982	.68	12.76	4.78	1.80	2.04	22.06
1983	.67	12.90	4.96	2.71	1.37	22.61
1984	.69	14.12	4.86	2.78	1.32	23.77
1985	.69	13.98	5.18	2.95	1.33	24.13
1986	.68	14.88	5.42	3.18	1.47	25.63
1987	.69	15.86	5.94	3.65	1.46	27.60
1988	.60	15.39	5.62	3.75	1.75	27.11
1989	.61	16.59	6.45	3.72	2.01	29.38
1990	4.35 (1)	16.19	6.93	4.66	2.33	34.46
1991	4.63	17.04	6.99	4.48	2.43	35.57

SOURCE: Department of Revenue Reports to the Legislature

Note: (1) The significant increase in 1990 is due to the school equalization aid levy of 40 mills established by the 1989 Legislature.

STATE OF MONTANA
Last Ten Years

This portion of the property tax levy was developed to provide a non-discriminatory method of financing public education in Montana. The State has statutory authority to levy up to six mills for the support of the State's higher education system. The General Fund is responsible for making up any deficiencies in the equalization system. In addition, the Legislature is directed by law to levy at each legislative session a tax of up to two mills on all taxable property in the State to provide for any deficiencies in the General Fund.

Levy Year	Higher Education System	Vo-Tech Centers	Primary & Secondary Schools	Total Mill Levy
1983	5.86	-	40.00	45.86
1984	6.00	-	45.00	51.00
1985	6.00	-	45.00	51.00
1986	6.00	-	45.00	51.00
1987	6.00	1.50	45.00	52.50
1988	6.00	1.50	45.00	52.50
1989	6.00	1.50	45.00	52.50
1990	6.00	1.50	95.00	102.50
1991	6.00	1.50	95.00	102.50
1992	6.00	1.50	95.00	102.50

Each mill represents one dollar of tax levied on each thousand dollars worth of taxable property. The amount of property taxes needed for the year (net levy) is divided by the percentage determined collectible. This gross levy is then divided by the assessed valuation to arrive at the mill levy. The increase in the mill levy for 1990 was due to the 10 mill increase for primary and secondary schools and the state equalization aid levy of 40 mills established by the 1989 Legislature.

SOURCE: Montana Department of Revenue - Research and Information Division

STATE OF MONTANA
RATIO OF DIRECT STATE DEBT TO
ASSESSED VALUE AND DIRECT
STATE DEBT PER CAPITA
Last Ten Fiscal Years

(Expressed in Thousands)			Direct State Debt Per		
Fiscal Year	Population(a)	Assessed Value(1)(b)	Direct State Debt(2)	Assessed Value (%)	Capita
1983	816	\$ 15,796,731	\$ 57,940	.37	\$ 71.00
1984	824	16,732,094	107,541	.64	130.51
1985	825	16,950,507	100,835	.59	122.22
1986	819	27,690,916	106,814	.39	130.42
1987	809	27,385,847	99,402	.36	122.87
1988	805	26,207,045	91,542	.35	113.72
1989	806	26,919,326	83,390	.31	103.46
1990	799	26,071,118	78,110	.30	97.76
1991	808	27,783,297	70,050	.25	86.70
1992	N/A	28,421,291	60,140	.21	74.43 *

N/A - Data not available.

* Calculated using 1991 population data.

NOTES: (1) The 1986 increase was primarily due to a reappraisal from 1978 values to 1982 values. Beginning in 1988 the assessed value does not include exempt property.
(2) Includes only General Obligation Bonds.

SOURCES: (a) Montana Department of Commerce, Census and Economic Information Center
(b) Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
RATIO OF ANNUAL DEBT SERVICE TO
TOTAL GENERAL EXPENDITURES
Last Ten Fiscal Years
(\$ Expressed in Thousands)

Fiscal Year	Total Debt Service	Total General Expenditures	Ratio (%)
1983	\$ 10,978	\$ 849,123	1.29
1984	74,255	1,025,084	7.24
1985	24,415	1,086,278	2.25
1986	77,448	1,265,835	6.12
1987 (1)	139,252	1,323,851	10.52
1988	30,927	1,223,718	2.53
1989	31,763	1,304,737	2.43
1990	33,454	1,334,010	2.51
1991	34,355	1,611,671	2.13
1992	57,387	1,725,088	3.33

SOURCE: Montana Financial Reports 1983-1992

NOTE: (1) The Department of Transportation retired \$107.7 million of 1983 series bonds and 1985 BANS.

STATE OF MONTANA
REVENUE BOND COVERAGE
HIGHER EDUCATION
Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service (2)	Debt Service Requirements	
				Total	Coverage (1)
1982	\$ 25,627	\$ 17,748	\$ 8,563	\$ 3,382	2.53
1983	26,034	18,991	7,767	8,434	0.92
1984	24,996	18,091	6,905	8,192	0.84
1985	43,918	29,482	14,436	7,389	1.95
1986	44,595	27,454	17,141	13,171	1.30
1987	34,803	25,635	9,168	6,300	1.46
1988	35,329	24,518	10,811	6,264	1.73
1989	37,611	27,900	9,711	7,060	1.38
1990	42,010	30,314	11,696	7,829	1.49
1991	45,314	33,707	11,607	7,240	1.60

- NOTES: (1) Information to calculate the coverage for Montana College of Mineral Science and Technology was not available until 1985 since no yearly audit was required for its revenue bonds exclusive of the college as a whole.
- (2) During 1981 through 1984 net revenues were defined by the bond resolution for the University of Montana's Building Fees Resolution. No gross revenue or operating expenses figures were available for this resolution; therefore, the difference between gross and operating revenues does not equal the net revenue available for debt service each year reported above. This difference is equal to the amount of net revenues defined by the Building Fees Resolution. Total debt service requirements and coverage are not affected.

SOURCE: Annual audit reports for each entity.

STATE OF MONTANA
REVENUE BOND COVERAGE
MONTANA BOARD OF HOUSING
Last Ten Fiscal Years
(Expressed in Thousands)

Fiscal Year	Gross Revenues	Operating Expenses	Net revenue available for debt service	Debt Service Requirements	
				Total	Coverage
1983	\$ 29,453	\$ 2,208	\$ 27,245	\$ 23,660	1.15
1984	41,952	2,061	39,891	33,087	1.21
1985	52,667	2,609	50,058	43,055	1.16
1986	62,155	2,748	59,407	54,288	1.09
1987	58,576	2,851	55,725	52,580	1.06
1988	58,408	2,488	55,920	48,345	1.16
1989	56,834	1,644	55,190	49,777	1.11
1990	57,002	3,025	53,977	49,002	1.10
1991	58,050	2,613	55,437	50,314	1.10
1992	56,653	2,699	53,954	50,703	1.06

SOURCE: Montana Statewide Budgeting and Accounting System.

STATE OF MONTANA
Last Ten Fiscal Years
(Expressed in thousands, except for number of permits)

Construction (a)					
Calendar Year	Residential		Commercial		
	Number of permits issued	Valuation*	Number of permits issued	Cost of construction	Bank Deposits (b)
1982	2,052	\$ 70,729	279	\$ 26,497	\$ 6,306,971
1983	3,057	131,167	269	30,636	6,859,295
1984	2,837	129,019	251	38,537	7,353,755
1985	2,034	86,925	295	33,018	7,615,431
1986	1,153	57,348	321	24,383	7,825,147
1987	792	47,607	292	24,667	7,938,709
1988	777	52,557	247	14,692	7,993,685
1989	698	53,411	317	28,301	7,701,270
1990	791	87,142	286	59,556	7,959,440
1991	1,126	114,193	330	73,450	8,392,081

Property (Assessed) Values (c)						
Fiscal Year	Agriculture	Commercial/Industrial	Personal/Real	Utilities	Other**	Total(2)
1983	\$ 1,234,102	\$ 2,081,796	\$ 8,301,769	\$ 3,088,980	\$ 1,090,084	\$ 15,796,731
1984	1,260,872	2,188,062	8,683,164	3,529,623	1,070,373	16,732,094
1985	1,264,861	2,412,051	8,752,473	3,395,396	1,125,726	16,950,507
1986	2,324,395	5,420,997	15,037,897	3,901,322	1,006,305	27,690,916
1987	2,375,066	5,172,038	14,813,180	4,337,965	687,598	27,385,847
1988	2,435,526	5,178,163	13,863,293	3,910,515	819,548	26,207,045
1989	2,458,942	5,176,030	14,086,791	4,280,347	917,216	26,919,326
1990	2,498,949	4,863,281	14,644,470	3,696,089	368,329	26,071,118
1991	2,549,181	4,913,732	15,557,151	4,347,227	416,006	27,783,297
1992	2,591,978	4,995,511	15,975,557	4,488,297	369,947	28,421,291

* 1983-1984: Information on publicly owned (contract awards) housing units was not available.

**Other property includes mining, coal and miscellaneous.

NOTE: (1) - Nontaxable property value information is not available.
 - Construction data is reported on a calendar year basis.
 - Bank deposits are the aggregate of State Banks and Trust Companies, National Banks, Savings and Loans and Credit Unions.
 (2) - The increase in Fiscal Year 1986 was primarily due to a reappraisal from 1978 values to 1982 values.

SOURCES: (a) - Montana Department of Commerce - Census & Economic Information Center
 (b) - Montana Department of Commerce - State Banks and Trust Companies, National Banks and Credit Unions.
 - Federal Home Loan Bank of Seattle - Savings and Loans
 (c) - Montana Department of Revenue Reports to the Legislature

STATE OF MONTANA
Last Ten Calendar Years

Total Personal Income
(Millions)

Year	Montana		Rocky Mountain Region(1)		United States	
	Amount	%	Amount	%	Amount	%
		Increase		Increase		Increase
1982	\$ 8,118		\$ 76,356		\$ 2,663,432	
1983	8,504	4.8	80,924	6.0	2,834,385	6.4
1984	8,922	4.9	86,932	7.4	3,101,163	9.4
1985	9,092	1.9	91,522	5.3	3,317,545	7.0
1986	9,588	5.5	95,051	3.9	3,519,364	6.1
1987	9,979	4.1	99,057	4.2	3,766,092	7.0
1988	10,382	4.0	104,486	5.5	4,053,282	7.6
1989	11,392	9.7	112,678	7.8	4,367,401	7.7
1990	11,709	2.8	120,625	7.1	4,649,706	6.5
1991 (2)	12,673	8.2	127,646	5.8	4,814,495	3.5
Average Annual Rate of Growth		5.10%		5.89%		6.80%

Per Capita Income

Year	Montana		Rocky Mountain Region(1)		United States	
	Amount	%	Amount	%	Amount	%
		Increase		Increase		Increase
1982	\$ 10,084		\$ 11,028		\$ 11,482	
1983	10,424	3.4	11,457	3.9	12,100	5.4
1984	10,836	4.0	12,162	6.2	13,116	8.4
1985	11,021	1.7	12,673	4.2	13,896	5.9
1986	11,726	6.4	13,098	3.4	14,597	5.0
1987	12,330	5.2	13,621	4.0	15,471	6.0
1988	12,896	4.6	14,355	5.4	16,491	6.6
1989	14,142	9.7	15,397	7.3	17,594	6.7
1990	14,649	3.6	16,536	7.4	18,639	5.9
1991 (2)	15,675	7.0	17,124	3.6	19,092	2.4
Average Annual Rate of Growth		5.07%		5.04%		5.81%

NOTE: (1) The Rocky Mountain Region includes Montana, Colorado, Idaho, Utah and Wyoming.

(2) The 1991 data is preliminary.

SOURCE: Montana Department of Commerce
Census & Economic Information Center

STATE OF MONTANA
PUBLIC EDUCATION INSTITUTIONS
ENROLLMENT (1)
Last Ten Fiscal Years

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
TOTAL GRADES PRE-K-12(a)	152,401	153,646	154,412	154,072	153,327	152,207	152,191	151,149	152,898	155,263
MONTANA UNIVERSITY SYSTEM(b)										
University of Montana	8,458	8,431	8,265	8,186	8,017	7,552	7,977	8,587	8,852	9,482
Montana State University	10,691	10,789	10,353	10,104	9,671	9,287	9,371	9,543	9,501	9,491
Montana Tech	2,048	2,090	1,880	1,659	1,573	1,582	1,546	1,499	1,612	1,694
Western Montana College	859	882	880	854	928	828	954	877	915	974
Eastern Montana College	3,494	3,538	3,468	3,480	3,324	3,303	3,287	3,354	3,408	3,139
Northern Montana College	1,663	1,745	1,707	1,693	1,710	1,551	1,548	1,581	1,765	1,907
TOTAL UNIVERSITIES	27,213	27,475	26,553	25,976	25,223	24,103	24,683	25,441	26,053	26,687
VOCATIONAL TECHNICAL CENTERS(b)										
Billings Vo-Tech Center	490	400	448	489	446	398	356	334	280	291
Butte Vo-Tech Center	418	294	395	414	390	395	354	280	248	251
Great Falls Vo-Tech Center	540	423	428	391	416	473	525	503	479	466
Helena Vo-Tech Center	961	700	665	647	570	577	506	436	418	434
Missoula Vo-Tech Center	759	471	588	578	507	487	482	446	454	435
TOTAL VOCATIONAL TECHNICAL CENTERS	3,168	2,288	2,524	2,519	2,329	2,330	2,223	1,999	1,879	1,877

NOTE: (1) The University System is based on fiscal year full-time equivalent enrollment.
The Vocational Technical Centers' enrollment is based on total contact hours.

SOURCES: (a) Montana Office of Public Instruction
(b) Montana Commissioner of Higher Education

STATE OF MONTANA
DEMOGRAPHIC STATISTICS
Last Ten Years

Fiscal Year	Population (1)(a)	Per Capita Income (1)(a)	Public School Enrollment Pre-K-12 (2)(b)	Montana University System Enrollment (2)(b)	Average Montana Unemployment Rate (c)	Average U.S. Unemployment Rate (c)	Average Civilian Labor Force (c)	Average Total Employment (c)	Average Unemployment (c)
1983	816,000	\$ 10,424	152,401	27,213	8.8 %	9.6 %	394,000	359,000	35,000
1984	824,000	10,836	153,646	27,475	7.4	7.5	406,000	376,000	30,000
1985	825,000	11,021	154,412	26,553	7.7	7.5	409,800	378,200	31,600
1986	819,000	11,726	154,072	25,976	8.5	7.3	402,600	368,500	34,100
1987	809,000	12,330	153,327	25,223	8.0	6.7	404,500	372,300	32,200
1988	805,000	12,896	152,207	24,103	8.1	5.8	404,420	371,620	32,800
1989	806,000	14,142	152,191	24,683	6.7	5.4	399,650	372,970	26,680
1990	799,000	14,649	151,149	25,441	5.5	5.3	408,025	385,608	22,430
1991	808,000	15,675	152,898	26,053	6.6	6.2	401,625	375,333	26,292
1992	N/A	N/A	155,263	26,687	7.1	7.1	408,125	379,292	28,833

N/A - Data not available

NOTES: (1) Based on calendar year.

(2) Based on academic year - includes public schools (pre-K-12) and State-owned universities and colleges.

SOURCES: (a) U.S. Department of Commerce - Bureau of Economic Analysis

(b) - Montana Office of Public Instruction - public schools

- Montana Commissioner of Higher Education - universities and colleges

(c) Montana Department of Labor and Industry - Research Bureau

STATE OF MONTANA
EMPLOYMENT IN MONTANA INDUSTRIES (1)
(Thousands of Persons)
Last Ten Years

	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
urable Goods	11.7	13.0	13.8	13.5	12.7	12.7	12.9	13.7	14.0	13.3
n-Durable Goods	8.9	9.1	8.7	8.2	8.5	8.2	8.1	8.3	8.4	8.4
ining	9.3	7.4	7.7	6.8	5.9	5.7	5.7	6.3	6.3	6.0
ntract Construction	13.4	13.3	12.5	11.3	10.3	8.8	8.6	9.7	10.4	11.2
ansportation	12.3	11.2	11.8	12.0	11.8	11.4	11.4	12.3	12.4	12.5
mmunications/Utilities	9.7	9.2	9.0	8.6	8.6	8.1	8.2	7.7	7.7	7.8
olesale Trade	17.2	17.1	17.4	16.8	15.3	15.0	14.8	15.6	15.8	16.0
etail Trade	54.7	56.5	58.5	58.8	57.2	57.6	57.9	62.0	62.6	65.1
nance/Insurance/Real Estate	12.8	13.0	13.4	13.3	13.0	13.2	13.3	13.2	13.3	13.8
edical/Health Services	20.4	20.9	21.0	21.3	21.9	23.1	23.1	24.7	26.0	26.4
her Services	35.9	36.9	38.6	38.8	30.3	31.3	32.0	46.9	49.6	50.6
ederal Government	13.1	13.0	12.8	12.4	12.8	12.7	13.2	13.6	13.9	13.0
ate Colleges/Universities	8.0	8.3	8.4	8.5	8.8	8.6	8.6	9.8	9.9	10.2
her State Government	10.0	10.3	10.5	10.8	10.7	10.4	10.3	10.8	11.0	11.3
cal Education	21.4	21.8	21.8	22.0	22.9	22.8	22.8	22.7	22.7	23.2
her Local Government	14.9	15.0	15.2	15.3	15.2	14.8	15.0	13.2	13.4	13.4
al Non-Farm Wage/ Salary Jobs(2)	273.7 =====	276.0 =====	281.1 =====	278.4 =====	265.9 =====	264.4 =====	265.9 =====	290.5 =====	297.4 =====	302.2 =====

SOURCES: (1) Montana Department of Labor and Industry - Research and Analysis Bureau

(2) Establishment Data - a count of jobs by where people work

STATE OF MONTANA
MAJOR PRIVATE EMPLOYERS IN MONTANA*
(Listed in descending number of employees)

1. Montana Power Co. (utilities, energy)
2. Washington Corporation (mining, construction, transportation)
3. St. Vincent Hospital & Health Center (health care)
4. Buttrey Food & Drug (retail food & drug)
5. Deaconess Medical Center (health care)
6. Montana Deaconess Medical Center (health care)
7. St. Patrick Hospital (health care)
8. Columbus Hospital (health care)
9. Stone Container Corporation (paper products)
10. Burlington Northern Railroad (transportation)

SOURCE: Montana Department of Commerce - Census & Economic Information Center

- * The two largest Montana employers are public: Montana State Government and the U.S. Government

STATE OF MONTANA
(The Treasure State)
"Big Sky Country"
MONTANA'S STATISTICS
June 30, 1992

(1) Date of statehood	November 8, 1889 - 41st state
(2) Form of government	Legislative-Executive-Judicial
(1) Land area - 4th largest state	145,392 square miles
Population density (Based on 1991 estimate)	5.6 persons per square mile
(3) Miles of paved public roads	16,730
(4) Higher Education	
State-owned Universities and Colleges	6
Vocational-Technical Centers	5
(5) Recreation:	
Number of State parks	44
Number of Managed Sites	12
National parks (Glacier and Yellowstone)	2
(6) State employees (full-time equivalent)	15,144

SOURCES: (1) Official Montana 1991-92 Highway Map
 (2) Montana Code Annotated
 (3) Montana Department of Transportation
 (4) Montana Commissioner of Higher Education
 (5) Montana Department of Fish, Wildlife & Parks
 (6) State of Montana Office of Budget and Program Planning



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